

# HOUSE OF REPRESENTATIVES—Wednesday, August 5, 1992

The House met at 10 a.m.

The Venerable Frederick C. Byrd, Archdeacon, Episcopal Diocese of Upper South Carolina, Columbia, SC, offered the following prayer:

Almighty God, gracious and loving Father, we humbly stand in Your presence at the beginning of another day.

You have given us this good land for our heritage. You have made us stewards in this land of the free.

May we never take this freedom for granted. May we accept the responsibility to preserve our rich resources and to seek justice and peace for all our people in this land and beyond our borders.

Bless the Members of this House in particular that in their many deliberations and decisions they may reflect what is good and noble, worthy of Your holy name, and worthy of our great America.

In our Lord's name we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from South Carolina [Mr. DERRICK] come forward and lead the House in the Pledge of Allegiance.

Mr. DERRICK led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## THE VENERABLE FREDERICK C. BYRD, ARCHDEACON

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, I am delighted to welcome our guest chaplain and my good friend, the Reverend Frederick C. Byrd.

The Venerable Byrd is a native of Ridge Spring, SC. He was educated in the Ridge Spring public schools and graduated from Clemson University. He holds a master's degree in divinity from Virginia Seminary in nearby Alexandria.

For more than 20 years, the Venerable Byrd has served in the affairs of

the Episcopal Diocese of Upper South Carolina. First, he ministered as the vicar of St. Luke's Church in Newberry for 11 years.

Now, the Venerable Byrd officiates as the diocese's archdeacon in Columbia. In this capacity, he organizes and develops programs for the diocese's more than 26,000 baptized members.

The Venerable Byrd is supported by a loving family that includes, his mother, Addie Byrd; his brother, Joseph Byrd; and 30 "godchildren." One of them, Mr. Judd Warren is in the House Chamber today.

The archdeacon has worked hard to promote education in South Carolina. He is also supportive of the YMCA, the Boy Scouts, and the Girl Scouts.

Mr. Speaker, it is my pleasure to welcome the Venerable Byrd to the U.S. House of Representatives.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate insists upon its amendment to the amendment of the House to the amendment of the Senate to the bill (H.R. 429) "An act to amend certain Federal reclamation laws to improve enforcement of acreage limitations, and for other purposes" disagreed to by the House and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON, Mr. BUMPERS, Mr. FORD, Mr. BRADLEY, Mr. BINGAMAN, Mr. WIRTH, Mr. FOWLER, Mr. WALLOP, Mr. HATFIELD, Mr. DOMENICI, Mr. BURNS, Mr. CRAIG, and Mr. SEYMOUR, to be the conferees on the part of the Senate.

## DEMOCRATIC LEADERSHIP EXHORTED TO SCHEDULE FREEDOM OF CHOICE ACT

(Mr. GREEN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of New York. Mr. Speaker, last week the New York Times printed an op-ed piece concerning the Freedom of Choice Act by my friend Tanya Melich, executive director of the New York State Republican Family Committee. Ms. Melich writes:

The Freedom of Choice Act offers Congress an opportunity to resolve one of the most bitter issues of our time. By codifying the principles of the 1973 Roe v. Wade decision, the act would do through Federal statute what Roe did through judicial decision. It would return a woman's right to choose to

end her pregnancy back to its status prior to the 1989 [Webster] decision, which the Supreme Court used to begin dismantling Roe.

The act would allow states to continue passing laws regulating minors' access to and Medicaid financing of abortions. It would not settle the continuing conflict over these issues. But by guaranteeing the right to an abortion, a woman's reproductive freedom would no longer be at the Court's mercy.

Ms. Melich closes her essay by throwing down the gauntlet to the Democratic leadership: Show the American public that, behind the Presidential campaign rhetoric, there is the will to act on this crucial legislation. I join her in calling on the Democratic leadership to schedule consideration of the Freedom of Choice Act in a fair and timely manner. American women demand and deserve no less.

## BEST JOBS BILL IS TO BUY U.S. MADE GOODS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, the best jobs bill for America is to buy U.S. made goods. So I say, "Shoppers of America, become our trade ambassadors."

Now, we know potatoes have been in the news quite a lot lately. Last week I walked into my house back in Toledo, OH, and my mom was proudly standing in the middle of the kitchen, holding up this bag of Idaho potatoes. The America flag is emblazoned on the packaging which reads, "We support America," packed in Idaho, the Idaho Potato Packers Corp., Blackfoot, ID. Though Toledo and Blackfoot are 1,500 miles apart, my mom knew she helped an Idaho family by her purchase. She understood the connection.

Japan's trade deficit with the United States has also been in the news of late. It just keeps going up, \$1 billion more over last year, and as that deficit rises so does unemployment in America, now nearly 8 percent, and in some districts like my own, way over that.

So help your laid off friends by buying U.S. made products, including potatoes, and cars, and clothing. It is good for America. It is good for jobs, and it might even help some elected officials learn how to spell.

## MOBILE, ALABAMA'S POINT OF LIGHT

(Mr. CALLAHAN asked and was given permission to address the House

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for 1 minute and to revise and extend his remarks.)

Mr. CALLAHAN. Mr. Speaker, I rise to join with President Bush and Vice President Quayle in honoring the Rape Crisis Center of Mobile, AL, as the daily "Point of Light" on August 4. The Vice President presented the award yesterday in Mobile.

The Rape Crisis Center, founded in 1977, employs two staff members and has 55 volunteers to counsel and provide support for rape victims and to educate the community about the critical issue of sexual assault. Roughly half the volunteers are survivors of rape, family members, or friends of rape victims.

The center's volunteers are required to undergo extensive training in counseling, medical, and legal procedures. At least one volunteer is on call 24 hours a day, 7 days a week, all year. The volunteer on call often accompanies the victim to the hospital, offering emotional support during the medical examination and treatment. The volunteer then follows up at least twice with each victim and her family, referring them to professional counseling and other resources, as well as providing moral support for the victim during the court process.

The center hosts a weekly support group, offers three public awareness seminars a month for law enforcement and medical personnel.

The Rape Crisis Center is truly deserving of this honor and of our gratitude for their generous service to others. Unfortunately, volunteers seldom receive commendations for their work, and it was the President's desire to institute a program to focus attention on those who give unselfishly of their time. The daily point of light is a wonderful instrument for recognition. I am extremely proud that my constituents were given this public tribute in respect.

□ 1010

#### RECOGNIZING THE SELECTION OF "A SAFE PLACE" AS A POINT OF LIGHT

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the President's Daily Point of Light Program recognizes individuals and organizations that contribute to our Nation and address pressing needs through volunteer service. I am very proud that recently, President Bush recognized "A Safe Place" in Waukegan, IL, as one of America's points of light.

Since 1980, A Safe Place has worked to end domestic violence by teaching effective, nonconfrontational family communication. Its volunteers provide battered women and children with a de-

cent, safe place to live, opportunities for economic advancement, and a sense of well-being. Through its outstanding program of support and counseling, a safe place has helped many individuals overcome tragedy and build new lives.

Mr. Speaker, A Safe Place exemplifies America's volunteer spirit. I am privileged to represent a congressional district that includes such a fine organization and I am proud to salute its dedicated volunteers, who have distinguished themselves by reaching out to those in need.

#### EXPENSES OF SPECIAL PROSECUTOR WALSH

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Iran-Contra has reared its ugly head once again. This time it is not Poindexter, North, or Shultz; this time it is the special prosecutor, that is right, Lawrence Walsh.

Walsh charged the taxpayers \$25,000 for breakfast in bed. Tell me, Mr. Speaker, what was he eating? Golden eggs?

It sure as hell was not Wheaties.

Mr. Speaker, Walsh also charged the taxpayers \$40,000 for dinners. Who were his dinner guests every night? The Green Bay Packers?

Mr. Walsh and his chief deputy also charged the taxpayers \$300,000 for living expenses. Tell me, Mr. Speaker, who was he rooming with, Baron Hilton?

Mr. Speaker, with investigators like that, I think Congress would be much better off hiring Michael Milliken.

#### STILL NO SOLUTION TO OUR DEFICIT AFTER 55 DAYS

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, 55 days have passed since the defeat of the balanced budget amendment by the Democrats in this House.

In its stead, the Budget Committee chairman, Mr. PANETTA, promised, and I quote him: "I will bring to the floor an enforcement procedure to move us to a balanced budget with tough enforcement."

Fifty-five days is more than enough time to initiate a deficit solution. Yet the Democrat leaders, who spoke the loudest against the balanced budget amendment, have been silent since its defeat.

Where are your leaders now, you who voted not to balance the budget? Where is the vote on the plan you promised would solve the deficit, Mr. Committee Chairman?

I will tell you where.

Members who opposed the amendment currently sponsor legislation that would cost the taxpayer about an additional \$137 billion. They are too busy making the deficit worse to take time to make it better.

Mr. Speaker, it is high time for accountability. The American people are going to be made aware that the Democrats who control the House of Representatives are the reason this Republican President is held hostage in his attempt to get the economy growing and in his efforts to balance the budget.

#### A NEW FOUNDATION FOR HEALTH CARE

(Mr. JOHNSTON of Florida asked and was given permission to address the House for 1 minute.)

Mr. JOHNSTON of Florida. Mr. Speaker, our existing health care system is fundamentally flawed. It produces soaring costs and fragments our communities. We must challenge ourselves to reconsider the underlying principles—economic, social, and moral—of our health care system.

We need to build a new foundation for health care, a durable foundation integrated in the fabric of our communities. If we are serious about cost containment, we must refocus our health care resources at a local level. We need to build community-based coalitions between patients, doctors, hospitals, and insurers to manage our health care and our health care costs.

America needs a new foundation for health care; America needs community-based health care reform.

#### FREEDOM OF CHOICE ACT: THE ONLY WAY

(Mr. JONES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JONES of Georgia. Mr. Speaker, the American people now have the freedom of reproductive choice and they want to keep it. The Freedom of Choice Act is the only way to assure that Americans will continue to have that right, free from the imposition of Government interference in this most personal and private decision.

The Freedom of Choice Act will allow States to impose regulations that are medically necessary to assure that abortions are performed safely, and it will allow States to prohibit abortions after viability, unless it is necessary to protect the mother's life or health.

Mr. Speaker, our well-intentioned, zealous colleagues who would impose their moral and religious beliefs on others are not respectful of the most basic American belief of individual responsibility. They do not understand that while most Americans do not con-



sidey abortion to be an easy choice, they want the right to make that choice themselves, and not have it made by the Government.

#### LEGISLATION TO ELIMINATE PERKS OF EXECUTIVE BRANCH OFFICIALS

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROEMER. Mr. Speaker, yesterday I introduced legislation that would put an end to wasteful and irresponsible spending on the part of our senior executive officials. The American taxpayers have been forced to finance a variety of extravaganzas for administration officials, including lavish dining rooms, exclusive athletic facilities, chauffeur-driven luxury vehicles, and—the most egregious offense—flights on military aircraft for personal and political reasons. Abuse of these privileges extends to the highest members of the Bush administration—the President's chief of staff, Samuel Skinner, and his former chief of staff, John Sununu, have cost the taxpayers over \$1.7 million in air travel which consisted of personal and political trips combined with official business.

My legislation would eliminate many of the perks that are currently enjoyed by high-ranking executive officials. The bill would place strict controls and reporting requirements on the use of Government aircraft, and it would severely limit the liberal and unnecessary use of chauffeurs, limousines, and other luxury vehicles. It would end Government subsidies for exclusive dining rooms, golf courses, and athletic facilities, and it would compel executive officials to pay a fee for their health care benefits. Lastly, the legislation would stem the growing number of senior executive positions by imposing a 5-percent cut on the number of schedule C and senior executive service appointees.

Mr. Speaker, my legislation would not only save Americans millions of wasted tax dollars, but it would bring integrity and a sense of priorities back to the people of Government. We are currently burdened with an enormous Federal deficit, woefully inadequate investments in education, health care, and technology, and lack of confidence in Government's ability to serve the Nation. If we are to restore the taxpayers' faith in our system of Government, we must start by eliminating these privileges to a privileged few.

I urge my colleagues to join me in supporting this legislation. If we stop this wasteful use of taxpayer money by our senior executive officials, we can start on the road to a more just and responsible government.

#### GRIDLOCK

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, and my colleagues, few people can remember a time when relations between the White House and the Congress have been as bad as they are at the present time.

And, we realize the Federal Government is in gridlock.

In a five-part series this week in the Washington Post we are reminded that our legislative scorecard thus far might read: The soaring Federal deficit—gridlock; violent crime—gridlock; health care reform—gridlock; campaign finance reform—gridlock, and revitalizing our Nation's schools—gridlock.

Congress blames the Bush administration. The executive branch blames the Congress.

President Bush and the Congress are sliding downward in the polls being taken nationwide.

This is my 18th year in Congress. I've never seen such gridlock—unwillingness by both sides to work together. Disputes in Washington often arise from principled differences over the issues.

But too often these disputes are eclipsed by more self-serving interests, including political gain.

I urge that the White House and we in Congress during the remaining few weeks of this 102d Congress work together to pass meaningful legislation for our people this year and in the future.

□ 1020

#### SUPPORT URGED FOR HOUSE CURRENT RESOLUTION 246 TO SAVE AMERICAN JOBS

(Mr. VISCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKEY. Mr. Speaker, fiddling like Nero, George Bush is negotiating a trade agreement that will send America's manufacturing jobs to Mexico while our families cry out for jobs and the economic chasm deepens.

Tomorrow, the House will have the opportunity to say no to exporting our good jobs and yes to selling our products abroad. Tomorrow, we will vote on a measure to level the playing field and give the most productive workers in the world—America's workers—a chance.

This measure declares that Congress will not agree to any trade agreement that allows the exploitation of our environmental, health, and worker safety laws as a means to export the jobs of American workers.

For far too long, unfair trade has been very costly to our Nation. A steel

depression in my northwest Indiana district has cost more than 38,000 jobs. We must insist that any new agreements are fair to our workers, our families, and our Nation's future.

President Bush should make no mistake about it; we will not support a sellout of the middle class and the American dream.

#### INTRODUCTION OF THE VACCINE ACCESS AND REGISTRY ACT

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, it is unconscionable to me that so many American children are becoming sick and so many children are dying of diseases which can be easily prevented by vaccines.

In many neighborhoods which I represent in upstate New York, 40 percent of our 2-year-olds are behind on scheduled vaccinations. Babies are getting sick with whooping cough and meningitis at a rate of more than a case every week.

Why? One reason, documented recently by the children's defense fund, is the skyrocketing cost of children's vaccines. Physicians in New York and most other States, for example, must pay over \$13 a dose for polio vaccine which could be purchased in bulk by States for as little as \$2 a dose.

The high cost of vaccines is forcing some parents to choose between getting their babies vaccinated and putting food on the table.

I am introducing today the Vaccine Access and Registry Act. Under this bill every family in America could afford to have their children vaccinated. Under this bill, States will be able to purchase vaccines at a bulk rate, saving more than 75 percent of the retail price.

We save at least \$10 in health care costs for every \$1 spent for vaccines. With this legislation we can make critical vaccines available to every child in America at the lowest possible cost.

#### WE CANNOT AFFORD 4 MORE YEARS OF GEORGE BUSH

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. And now in the twilight of his Presidency, Mr. Speaker, George Bush would have us believe he is dedicated to creating American jobs. The people I represent in Illinois know better. They know that the Reagan-Bush trade policies have gutted the industrial Midwest. In Illinois we have lost 21 percent of our manufacturing jobs during the Reagan-Bush Presidency. The Reagan-Bush approach leaves American college graduates

hopelessly searching for good-paying jobs, and the Bush policies have destroyed the confidence of consumers and businessmen. Mr. Speaker, when our country needs an aggressive policy to keep and create good jobs, President Bush proposes a new Mexican trade agreement to grease the skids for more jobs to head south of the border.

The President and his Republican Party would like to blame Congress for these problems, but it is the classic Republican dogma of supply-side economics and economic elitism that has brought us this mess.

As a fellow told me last week in Illinois, "We just can't afford 4 more years of George Bush."

#### ONE BILL THE PRESIDENT CANNOT VETO

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I say to my colleagues, if you're not awake this morning, pick up the Washington Post and read the profile of President Bush's man for family planning. This is a real wakeup call to America because the gentleman the President has appointed and put in charge of family planning doesn't believe in family planning, doesn't even believe in the birth control pill that's been around since 1960. These kinds of zealots are the reason that they have imposed the gag rule, the reason that we've seen veto after veto, and the reason that we've seen more people having to resort to abortion, whether they wanted to or not, because safe, available, user-friendly family planning has not been made available in this country.

Mr. Speaker, the United States and Saudi Arabia were called by the World Council on Population the two nations that went backward on family planning in the 1980's, thanks to appointments like this. Well, thank goodness for Bill Clinton because he is one Bill that the President cannot veto, and we know he is going to be a lot more enlightened on this and appoint people who are in touch with the 20th century and not living in the 19th.

#### CHARACTER IS AN ISSUE

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Well, well, well, here we go again, Mr. Speaker, discussing politics in the well of the House, bashing our President and praising Gov. Bill Clinton. Let me tell the gentlewoman from Colorado something:

We all know the Gennifer Flowers story was true. I've heard the tapes, be-

lieve me, there is not a newsperson in the whole world who's heard the audio tapes or read the hard copy who believes Flowers was merely "a friendly acquaintance." Clinton's laughable term of endearment.

Gennifer Flowers will probably be in Playboy magazine in January for the inauguration issue, win or lose. According to the news, she has signed a \$500,000 contract with Penthouse to be in the November election issue. How utterly weird. If this man Clinton is elected, my colleagues, your high school kids and junior high school kids will certainly have a supernegative role model in the White House, because of what his own senior guru Betsy Wright calls bimbo eruptions. Mr. Speaker and colleagues, character is an issue, maybe the key issue.

I hold here the draft dodger's December 3, 1969, letter to Col. Eugene Holmes, at that time commander of the University of Arkansas ROTC.

President Bush's deputy campaign manager Mary Matalin is correct. Governor Clinton is a world no-class womanizer/adulterer, and has told bold-faced lies about it. And he is a classic draft dodger. I believe character is the most important issue in the race for the White House and as an issue will increase in intensity as a national point of focus.

Mary Matalin is certainly my hero in the Bush campaign, because she has the guts to tell the truth about this slick Governor who has raised taxes 128 times in Arkansas. The dominant media culture, Mr. Speaker, does not believe adultery counts. That is, of course, a Hollywood deeply held evil belief—the Hollywood left, that is. And the liberal left of course does not care about draft dodging at all. The liberal media dweebs just about all dogged it during the Korean and Vietnamese fighting. Just check out dominant media culture executives in their midforties to midfifties and ask their branch of service. You'll get a long stare and the rare exception proves the rule. They didn't go to Vietnam or NATO and, by the way, only 4 percent ever go to church. If the Bush-Quayle campaign people are going to shy away from taking on this critically important character issue, then I will carry the heavy water for them.

This disgraced draft dodger is not going to be elected Commander in Chief if this California Congressman has any way under the Sun to stop him.

Mr. Speaker, can any of my colleagues gainsay the facts?

Mr. Speaker, as I did last Thursday, July 30, I ask permission to put into this House's permanent historical record, Governor Clinton's whining and dishonorable letter to Col. Eugene Holmes admitting that he deceived that Army officer in order to cause a third, repeat a third, young-Arkansas

man, repeat man, to replace Clinton in the draft quota for Hot Springs. The other young heroes stepped forward for the dodger in June 1968 and April 1969. Read it and weep, loyal Americans.

UNIVERSITY COLLEGE,  
Oxford, England, December 3, 1969.

DEAR COL. HOLMES: I am sorry to be so long in writing. I know I promised to let you hear from me at least once a month, and from now on you will, but I have had to have some time to think about this first letter. Almost daily since my return to England I have thought about writing, about what I want to and ought to say.

First, I want to thank you, not just for saving me from the draft, but for being so kind and decent to me last summer, when I was as low as I have ever been. One thing which made the bond we struck in good faith somewhat palatable to me was my high regard for you personally. In retrospect, it seems that the admiration might not have been mutual had you known a little more about me, about my political beliefs and activities. At least you might have thought me more fit for the draft than for ROTC.

Let me try to explain. As you know, I worked for two years in a very minor position on the Senate Foreign Relations Committee. I did it for the experience and the salary but also for the opportunity, however small, of working every day against a war I opposed and despised with a depth of feeling I had reserved solely for racism in America before Vietnam. I did not take the matter lightly but studied it carefully, and there was a time when not many people had more information about Vietnam at hand than I did.

I have written and spoken and marched against the war. One of the national organizers of the Vietnam Moratorium is a close friend of mine. After I left Arkansas last summer, I went to Washington to work in the national headquarters of the Moratorium, then to England to organize the Americans here for demonstrations here Oct. 15 and Nov. 16.

Interlocked with the war is the draft issue, which I did not begin to consider separately until early 1968, for a law seminar at Georgetown. I wrote a paper on the legal arguments for and against allowing, within the Selective Service System, the classification of selective conscientious objection, for those opposed to participation in a particular war, not simply to "participation in war in any form." From my work I came to believe that the draft system itself is illegitimate. No government really rooted in limited, parliamentary democracy should have the power to make its citizens fight and kill and die in a war they may oppose, a war which even possibly may be wrong, a war which, in any case, does not involve immediately the peace and freedom of the nation. The draft was justified in World War II because the life of the people collectively was at stake. Individuals had to fight, if the nation was to survive, for the lives of their countrymen and their way of life. Vietnam is no such case. Nor was Korea, an example where, in my opinion, certain military action was justified but the draft was not, for the reasons stated above.

Because of my opposition of the draft and the war, I am in great sympathy with those who are not willing to fight, kill, and maybe die for their country (i.e., the particular policy of a particular government) right or wrong. Two of my friends at Oxford are conscientious objectors. I wrote a letter of rec-



commendation for one of them to his Mississippi draft board, a letter which I am more proud of than anything else I wrote at Oxford last year. One of my roommates is a draft resister who is possibly under indictment and may never be able to go home again. He is one of the bravest, best men I know. His country needs men like him more than they know. That he is considered a criminal is an obscenity.

The decision not to be a resister and the related subsequent decisions were the most difficult of my life. I decided to accept the draft in spite of my beliefs for one reason: to maintain my political viability within the system. For years I have worked to prepare myself for a political life characterized by both practical political ability and concern for rapid social progress. It is a life I still feel compelled to try to lead. I do not think our system of government is by definition corrupt, however dangerous and inadequate it has been in recent years. (The society may be corrupt, but that is not the same thing, and if that is true we are all finished anyway.)

When the draft came, despite political convictions, I was having a hard time facing the prospect of fighting a war I had been fighting against, and that is why I contacted you. ROTC was the one way left in which I could possibly, but not positively, avoid both Vietnam and resistance. Going on with my education, even coming back to England, played no part in my decision to join ROTC. I am back here, and would have been at Arkansas Law School because there is nothing else I can do. In fact, I would like to have been able to take a year out perhaps to teach in a small college or work on some community action project and in the process to decide whether to attend law school or graduate school and how to put what I have learned to use.

But the particulars of my personal life are not nearly as important to me as the principles. After I signed the ROTC letter of intent I began to wonder whether the compromise I had made with myself was not more objectionable than the draft would have been, because I had no interest in the ROTC program in itself and all I seemed to have done was to protect myself from physical harm. Also, I began to think I had deceived you, not by lies—there were none—but by failing to tell you all the things I'm writing now. I doubt that I had the mental coherence to articulate them.

At that time, after we had made our agreement and you had sent my 1-A deferment to my draft board, the anguish and loss of self respect and self confidence really set in. I hardly slept for weeks and kept going by eating compulsively and reading until exhaustion brought sleep. Finally, on September 12, I stayed up all night writing a letter to the chairman of my draft board, saying basically what is in the preceding paragraph, thanking him for trying to help me in a case where he really couldn't and stating that I couldn't do the ROTC after all and would he please draft me as soon as possible. I never mailed the letter, but I did carry it on me every day until I got on the plane to return to England. I didn't mail the letter because I didn't see, in the end, how my going in the army and maybe going to Vietnam would achieve anything except a feeling that I had punished myself and gotten what I deserved. So I came back to England to try to make something of this second year of my Rhodes Scholarship.

And that is where I am now, writing to you because you have been good to me and have a right to know what I think and feel. I am

writing too in the hope that my telling this one story will help you to understand more clearly how so many fine people have come to find themselves still loving their country but loathing the military, to which you and other good men have devoted years, lifetimes, of the best service you could give. To many of us, it is no longer clear what is service and what is disservice, or if it is clear, the conclusion is likely to be illegal.

Forgive the length of this letter. There was much to say. There is still a lot to be said, but it can wait. Please say hello to Col. Jones for me.

Merry Christmas.

Sincerely,

BILL CLINTON.

### CRIMES OF OMISSION

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, the real point here is that around the Nation, the people of this Nation are afraid.

Our young people are afraid to go to school.

Our women are afraid to walk the streets.

And our senior citizens are afraid to leave their homes.

They are afraid of the extraordinary number of crimes that are being committed. They have lost their rights as citizens to move about freely and without fear.

But in Washington, what does our President, the recent convert to the credo of change, do?

He commits a crime of omission.

He blocks the omnibus crime bill designed to do what is right: Catch, convict, and can those who break this Nation's laws.

He blocks more policemen for our streets.

He blocks severe sentences for violent offenders.

He blocks tough boot camps for first-time offenders.

He blocks new measures to keep our children safe at school.

And yes, he kowtows to special interests by blocking a reasonable waiting period for the purchase of handguns.

Mr. Speaker, if we are to regain control of our neighborhoods, we need a President who will take control of the national agenda—a President who will move us forward rather than running in place.

We need a President who will fight back hard against crime, not aid and abet the criminals by standing in the way of positive change.

□ 1030

PROVIDING FOR CONSIDERATION OF H.R. 5334, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I

call up House Resolution 537 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 537

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 8 of rule XXI are waived. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 5(a) of rule XXI are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed and only by the named proponent or a designee, shall be considered as read when offered, shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against amendments printed in the report are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MURTHA). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER. Mr. Speaker, I yield the customary 30 minutes of debate time to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 537 is a modified open rule providing for the consideration of H.R. 5334, the Housing and Community Development Act of 1992.

The rule waives points of order against consideration of the bill under clause 8 of rule XXI, which requires a Congressional Budget Office estimate to be included in any measure providing for changes in direct spending or receipts.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance, and Urban Affairs.

Further, the rule makes in order the Banking, Finance, and Urban Affairs Committee amendment in the nature of a substitute now printed in the bill as an original bill for the purposes of amendment. Points of order under clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, are waived against the substitute.

No amendments to the substitute are to be in order except those printed in the report of the Committee on Rules. The amendments are each debatable for 20 minutes and are not subject to amendment nor to a demand for a division of the question. All points of order are waived against the amendments in the report.

The amendment to be offered by Chairman GONZALEZ is an en bloc amendment made up of 14 separate amendments which have been accepted by the bipartisan leadership of the Committee on Banking, Finance, and Urban Affairs. The amendment to be offered by Representative TORRES would require Truth in Lending disclosures for mortgage refinancing.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 5334, the bill for which the Rules Committee has recommended this rule, reauthorizes much needed programs of the Department of Housing and Urban Development and the Farmer's Home Administration.

Despite the valiant leadership of the Banking Committee and Chairman GONZALEZ, housing opportunities for low-income families in this Nation remain scarce. Coupled with the decline in safe, affordable housing is the breakdown of community infrastructures. H.R. 5334 seeks to meet these needs through expanded housing resources and community development programs to help restore the vitality of our Nation's neighborhoods.

The HOPE for youth: Youthbuild Program created in H.R. 5334 combines these worthy goals. Youthbuild would employ the skills and energies of economically disadvantaged young adults to build permanent housing for the homeless and low income families. The results of the hands-on Youthbuild Program will be tangible: Affordable housing, and a trained, educated work force of young adults who are directly involved in helping their communities.

H.R. 5334 also authorizes \$3.4 billion for the community development block

grants, including funding for micro-enterprises to foster self-sufficiency and economic development initiatives in depressed urban and rural areas. Like the Youthbuild Program, this represents a vital investment in the future of our communities.

Mr. Speaker, I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this most important legislation.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a very sad day for me for two reasons. First, this is the last housing bill that will come before us under the leadership of the distinguished ranking Republican member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE], who will retire at the end of this session. He has done a terrific job and will be sorely missed.

The second reason has to do with the fact that I served on the Committee on Banking, Finance and Urban Affairs for nearly a decade, and I have come to admire the chairman of that committee, the gentleman from Texas [Mr. GONZALEZ], for his fairness. That is why I am concerned about the fact that this is the first time since the gentleman from Texas [Mr. GONZALEZ] took over the chairmanship of the Subcommittee on Housing in 1981 that we are faced with a closed rule on a major housing bill. Granted, many of the amendments that were submitted to the Committee on Rules yesterday are included in the en bloc amendment that will be offered by the chairman of the committee.

One of those amendments, Mr. Speaker, would significantly improve the single-family property disposition homeless initiative, and I want to thank Chairman GONZALEZ for including that in his en bloc amendment.

Regrettably, Mr. Speaker, there are two important amendments that are neither contained in the en bloc amendment nor permitted under this rule. One amendment would cap the potential environmental liability of mortgage lenders and insured depository institutions that acquired contaminated property through such means as foreclosures or by operation of law but did not cause the underlying environmental problem.

The amendment is similar but actually a more tempered version of the bill introduced by our colleague, the gentleman from New York [Mr. LAFALCE], which currently has, Mr. Speaker, 271 cosponsors. Let me repeat that. There are 271 cosponsors on Mr. LAFALCE's bill, which is similar to the amendment which I hope to offer. A similar amendment passed the Senate twice with broad bipartisan support and with no opposition at all.

Mr. Speaker, this housing bill offers one of the few chances we will have this year to address what Federal Re-

serve Board Chairman Alan Greenspan has stated is a major contributor to the so-called credit crunch.

Most of my colleagues also agree that this problem needs to be addressed, yet legislation to limit liability has languished in this body for more than 2 years. Now is the time to act, Mr. Speaker, and I urge my colleagues to join with me in defeating the previous question so that my amendment can be considered as a part of H.R. 5334.

A second and equally important amendment not made in order by this rule is one offered by three very hard-working gentleman, the gentleman from Louisiana [Mr. BAKER], the gentleman from Georgia [Mr. BARNARD], and the gentleman from North Carolina [Mr. NEAL]. The three of them made a compelling case before the Committee on Rules yesterday on the need for their amendment to rectify a serious problem undermining the solvency of the Federal Home Loan Bank System. The problem has led to declining earnings, which threaten the ability of the bank system to provide mortgage lending to low- and moderate-income families. It is a problem that can no longer be ignored.

Mr. Speaker, this rule fails to make in order a number of other very relevant and germane amendments that would strengthen the bill and ensure strong bipartisan support. Two such amendments were offered by my hard-working colleague, the gentleman from California [Mr. RIGGS], a member of the Committee on Banking, Finance and Urban Affairs.

It has become increasingly apparent to me, Mr. Speaker, that my colleagues on the other side of this aisle may actually not want a housing bill. The administration has threatened to veto H.R. 5334 in its form, and the rule denies us the chance to offer amendments which can in fact get the President to sign this bill.

One way to achieve that strong bipartisan support is to vote down the previous question so that my amendment to cap the environmental liability of lending institutions can be contained as part of H.R. 5334.

Again, Mr. Speaker, I urge a "no" vote on the previous question.

Mr. Speaker, I reserve the balance of my time.

□ 1040

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the chairwoman for yielding.

Mr. Speaker, I support the rule and I will support the bill. I want to commend Chairman GONZALEZ and Vice Chairman WYLIE. It is his last year here in the Congress. The gentleman has been a great Member from Ohio, and we will surely miss him.



I want to thank these gentlemen for including two of my amendments in the en bloc amendments that this rule does cover. I also want to give thanks to Frank DeStefano of the committee who worked very hard with my staff and other Members around the Congress trying to develop some of their housing programs.

When I came to Congress I tried to do something about foreclosures. As sheriff, I had to evict an awful lot of steelworkers who ended up losing their homes, who had 25-year mortgages and had paid 15 or 20 years at 6 percent, and those interest rates were up to 22 percent and all of a sudden, bang, the banks—1 or 2 months of missed payments—foreclosed on their homes.

So when I came here I introduced the Emergency Home Ownership Counseling Assistance Act, and, with the help of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE], much of that has been made law in the form of amendments into these housing bills.

Now the bank must give a 45-day notice. Now there is a monetary agency that monitors the banks so they give that 45-day notice. Now there are grants to nonprofit agencies who counsel families who have foreclosure problems.

The Washington Post said that they have been able to sit down, these nonprofit agencies, and intervene and help to save the family homes. It is also saving about \$27,000 each time a mortgage is saved and wards off a foreclosure.

In addition to that we have created an 800 number for people who have trouble with their mortgage payments. All they have to do now is call that 800 number and there is an agency out there that will sit down with the homeowner, sit down with the bank or the lender, and work out a payment schedule, and it is working.

But what my amendment does today, and I thank the amendment for, is some of these housing counseling agencies have not really had training. Some of them are great, great counselors, but there are others just coming on board that need more knowledge about mortgages, more knowledge about tenancy laws, rental laws, more knowledge about our Federal requirements, and Federal laws and stipulations.

In that regard they have included in this particular bill an amendment that would require the certification of these housing counselors. HUD, the Department of Housing and Urban Development, must set up a program and hire an agency to provide this training program for housing counselors all over America.

Mr. Speaker, let me say this: This is a good piece of legislation. We have had some good housing bills, but if we are going to stop foreclosure, we are going to have to provide some assist-

ance to the American people. I think we are doing it without a lot of money, we are doing it with a good program, not cash, and it makes sense.

The second amendment is a buy American amendment that deals with fraudulent labels. If you have a housing contract in America, and you have a buy American agreement, and you are supposed to buy those products in America, if you say they are made in America, make sure they are really made in America, or my language will have you handcuffed to a chain link fence and have you flogged. Madam Chairwoman, that is what this one does, and thank you for including my two amendments in the en bloc amendments.

Mr. DREIER of California. Mr. Speaker, the gentleman from Ohio [Mr. WYLIE] has served as ranking minority member of the Committee on Banking, Finance and Urban Affairs for a decade, and has done a terrific job. This is the last housing bill that will be considered under the leadership of the gentleman, and we will sorely miss him.

Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank my friend, the gentleman from California [Mr. DREIER], who served with distinction on the Committee on Banking, Finance and Urban Affairs before he went to the Committee on Rules, for yielding the time, and also for his gracious remarks concerning my service on the Committee on Banking, Finance and Urban Affairs and my work on housing legislation.

I want to thank the gentleman from Ohio [Mr. TRAFICANT] for acknowledging the work that we have done and for the fact that the gentleman does have two amendments in here which I think are very worthwhile and which I supported.

Mr. Speaker, I rise in support of the rule which the Committee on Rules has recommended for H.R. 5334, the Housing and Community Development Act of 1992.

Normally, I favor an open rule on all bills. As a general principal, I think the process works best when Members—Democrats and Republicans alike—are allowed to offer amendments they deem worthwhile. However, after discussing the issue at length with Chairman GONZALEZ and the chairman of the Committee on Rules and after taking into consideration our legislative schedule and the desirability of passing a housing reauthorization bill, I think that a structured rule for H.R. 5334 is necessary.

I would like to say that Chairman GONZALEZ has been most accommodating in his willingness to work with the minority in fashioning a manager's amendment that we believe adequately addresses most of the concerns of Members who filed amendments and ad-

dresses most, not all, but most of the concerns of the administration. Although I had hoped that all of the amendments filed would be made in order, I must say that I understand why some were not. And those that were not are controversial for reasons on which reasonable people can differ. I favored the amendment the gentleman from California refers to with reference to lender liability for environmental cleanup. The issue of the jurisdiction of the Energy and Commerce Committee comes into question. That is an issue which could reduce the chances of passing the bill, not so much on the merits but on procedure and form.

Among the amendments included in the manager's amendment are two I filed on behalf of the administration. One would provide for a 4-percent across-the-board reduction in authorized amounts; another would strike the provisions in the bill which consolidate the section 8 voucher certificate programs. In addition, the chairman and I were able to agree on a flat 20-percent matching requirement for the HOME Program.

I want to reiterate that normally I favor open rules on all bills, but there are enough good provisions in this bill to keep the process of authorizing housing legislation moving. This rule is probably the best, given the complexity of housing legislation, the Committee on Rules could draft. Chairman GONZALEZ and I are of the same opinion that what is important now is to keep the process moving. Accordingly, I support adoption of the rule so that we may proceed directly to consideration of H.R. 5334, the Housing and Community Development Act of 1992.

Mr. DREIER of California. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey [Mrs. ROUKEMA], the distinguished ranking member of the Subcommittee on Housing and Community Development.

Mrs. ROUKEMA. Mr. Speaker, I rise in reluctant opposition to this rule on H.R. 5334, the Housing and Community Development Act of 1992.

Normally, housing authorization bills are accompanied by an open rule so that Members would have the opportunity to address issues of concern in an uninhibited and unencumbered manner. Indeed some of the amendments had merit.

Yesterday, at the Rules Committee hearing, I did testify in support of an open rule. However, I can appreciate the concerns expressed by the committee and the leadership that with so few legislative days remaining, we must work expeditiously to move bills through the floor.

While opposed to the rule, I do support the bill.

Now, let me turn briefly to the administration's position on this bill because later in general debate we are likely to hear that the administration

is opposed to this bill in its current form.

I regret that the administration has taken this position on such an important piece of legislation.

Yesterday, in the middle of the Rules Committee hearing on this bill, we were presented with the statement of administration policy [SAP] which expressed opposition to the bill.

This statement is almost identical to a letter the chairman of the Housing Subcommittee received from HUD as we reported out H.R. 5334 and reviews the same arguments which have been presented, debated, and rejected by the Banking Committee.

It is truly a shame that very important programs in this bill, including the streamlining of the McKinney Homeless Programs, and the extremely important remedy we have included for the problem of mixing the disabled and mentally ill with the elderly in public and assisted housing. These are major concerns which must be addressed ASAP and in my opinion override the administrations objections.

But perhaps more than that, at a time when the administration is being buffeted by bad news at the polls and in the economy, a bill like this which does promote economic activity and will create jobs is being downplayed.

Not only does this bill reauthorize important housing programs such as the HOME Partnership created 2 years ago which will help lead to the creation of much needed new home construction and rehabilitation jobs, but it also includes programs such as the CDBG Program which will help create additional infrastructure jobs at the local level.

In addition to the economic stimulation and job creation implications of this bill, H.R. 5334, and the leadership amendment coming up, also includes many initiatives proposed by HUD itself. These include: Choice in tenant management, 1-for-1 public housing replacement, cutoff of subsidy for vacant housing, safe havens, vouchers and certificates for home ownership, lower spending levels, and a modified plan to help remove barriers to affordable housing.

I appreciate the Secretary's disappointment with the funding level for his HOPE Program. But, what is wrong with a \$400 million authorization for a home ownership which is just 1-year-old and has no record of success?

I support Secretary Kemp's argument over the prohibition on the 57-percent closing cost rule for FHA mortgages. But we tried twice to reverse that and we lost.

Finally, the concern for the HOME match is laudable but a significant improvement over current match requirement.

Clearly, the very important housing programs in this bill, the potential economic stimulation, and the gains made on behalf of the administration far outweigh the few remaining concerns.

Mr. Speaker, I urge support for this legislation.

□ 1050

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

I would like to take a personal moment to add my own sorrow that the gentleman from Ohio [Mr. WYLIE] is leaving. In the three terms that I have been here, I have come to respect him greatly for his hard work, his dedication, and his friendship.

Not only will we miss him here in the House, but he will be missed by the people of the country.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

I would like to join in associating my remarks with the gentlewoman from New Jersey [Mrs. ROUKEMA], who very accurately points to one of the problems that we have with this bill. While she is not as concerned about it as I am, it is the question of funding for HOPE, which I think Secretary Kemp wants us to address.

We went through a major battle on the appropriations bill that was here just recently, and it seems to me that if we are going to provide an opportunity for 80,000 low-income Americans to have the chance to attain the American dream of home ownership, it is essential that we move ahead in a bold and very dynamic way to try and provide that opportunity for them to attain the dream.

I would also like to expand further on the issue which I am going to raise in my attempt to defeat the previous question here. As we look at some of the quotes that were provided in testimony by the Chairman of the Federal Reserve Board, Alan Greenspan, it is very striking that he believes that a major part of the credit crunch is due to this question of lender liability.

What he said in testimony 6 months ago in the Senate, he said:

In the surveys that we have taken through our various Federal Reserve Banks, we have clearly concluded that lender liability is a factor in the restraint of credit.

While I know there has been a commitment by a number of Members here to try and move ahead with dealing with this legislation, as I said in my opening remarks, 271 bipartisan cosponsors, it passed the Senate without any opposition whatsoever, and yet Chairman Greenspan's statement was as follows:

I would hope that the lender liability issue can be resolved as expeditiously as one can do it through the legislative process.

That was delivered on January 29 of this year, fully 6 months ago.

So it seems to me that this is our one opportunity to deal with a pressing issue that is facing our financial markets and those who are trying to have the opportunity to own property.

Mr. Speaker, I yield 4 minutes to the gentleman from Westerville, OH, Mr. KASICH, who has done a great deal of work on this issue. He is adjacent to the gentleman who is the ranking member of the committee from Columbus, the gentleman from Ohio [Mr. WYLIE].

Mr. KASICH. Mr. Speaker, I appreciate the gentleman yielding time to me.

This comes from the July 26 Columbus Dispatch, a story that appeared there datelined Chicago:

You will forget her name. You will forget her face. And the last mark she left—a blood stain on the pavement in front of her apartment building at Cabrini-Green—was washed away Friday.

Late Thursday, Laquanda Edwards lost her dream to flee the random violence she so feared. Her mother will never be able to answer the plea her 15-year-old daughter made just Monday:

Momma, please, get me out of here.

Laquanda Edwards was shot once in the back of the head by a sniper in the heart of the Chicago Housing Authority's Cabrini-Green housing complex.

She was on her way to a store to pick up a bottle of milk.

She became part of a grim roll call that includes Rachel Durr, 19, shot in the head last summer as she crossed a street; Anthony Felton, 9, shot in the back as he stood with friends; Winston Edwards, 22, shot in the face.

There are at least half a dozen more. The list of wounded is longer.

This is unbelievable, my colleagues. This is not Iraq, and it is not Sarajevo, and it is not Bosnia. It is a housing complex in Chicago, IL.

When my colleagues read this article, the entire article, which I will put in the RECORD, they will all be shocked with what they see.

I want to take a few minutes to compliment the gentleman from Texas [Mr. GONZALEZ] and my friend, the gentleman from Ohio [Mr. WYLIE], for the effort they make in the housing programs. I think they have some good ideas in this bill.

I think the former Member from New York, Mr. Kemp, his ideas on HOPE, I think, are excellent ideas.

But I want to say to my colleagues today that we are not even scratching the surface. This is a war that is going on in our cities. It is a war that literally threatens all of us. It is a war that is threatening the next generation of Americans who, believe it or not, cannot go outside of their apartments at night fearful that in this public housing complex—and it is not unique in America—that some sniper who is dealing drugs on the top of some building is going to shoot them.

We need a Desert Storm attitude when it comes to solving the problems in these inner cities and solving the problems when it comes to public housing, solving the problems when it comes to housing for all people in this country.



Is it going to take more money? Of course, it is going to take some money. There is no question about it.

I voted for the urban aid emergency package. Some of my colleagues did not, thought money was wasted. Probably some of that money will be wasted, because some of that money was passed through outdated, outmoded bureaucratic structures.

What we are going to have to do in this country and what we are going to have to do in this Congress is to work together, Republicans and Democrats, to break down conventional thinking, to begin to think unconventionally in somewhat radical terms, in terms of not only how we spend money but what ideas we develop, what unconventional, imaginative, human spirit-oriented ideas that we can develop in this country that can begin to solve this problem, that can begin to allow us to win a war against this kind of random violence that is not even imaginable in the United States of America.

So while I intend to support the efforts of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] and continue to support the efforts of Mr. Kemp, none of it is enough.

We have got to free ourselves from conventional thinking, and we have got to put aside partisan politics as we enter this next Congress and develop unique ideas for not only saving ourselves but saving the children of this country.

Mr. Speaker, I include for the RECORD a copy of the article from which I quoted.

[From the Columbus Dispatch, July 26, 1992]

#### DREAM IS SHATTERED BY GUNMAN

CHICAGO.—You will forget her name. You will forget her face. And the last mark she left—a blood stain on the pavement in front of her apartment building at Cabrini-Green—was washed away Friday.

Late Thursday, Laquanda Edwards lost her dream to flee the random violence she so feared. Her mother will never be able to answer the plea her 15-year-old daughter made just Monday:

"Momma, please, get me out of here."

Laquanda Edwards was shot once in the back of the head by a sniper in the heart of the Chicago Housing Authority's Cabrini-Green housing complex.

She was on her way to a store to pick up a bottle of milk.

On Friday, in the cramped apartment Laquanda Edwards shared with her mother and three brothers, Lueella Edwards stared at a photo of her smiling daughter clutching a diploma at her recent 8th-grade graduation.

#### HER DREAM WAS TO MOVE

"It was the first part of the ticket out of here," Lueella Edwards said. "She would say, 'I just want to be free to walk outside.'"

"She wanted to move to Palatine. That was her dream every day. This week she was sadder than ever, and on Monday she just said she couldn't take it anymore."

But like the others who have died on the streets surrounding the notorious Cabrini-Green housing complex, Laquanda Edwards' hopes were lost to a faceless killer.

She became part of a grim roll call that includes Rachel Durr, 19, shot in the head last summer as she crossed a street; Anthony Felton, 9, shot in the back as he stood with friends; Winston Edwards, 22, shot in the face.

There are at least half a dozen more. The list of wounded is longer.

#### AN AMERICAN WAR ZONE

These aren't the war-torn streets of Sarajevo, but the fear of lurking snipers is the same. Perched above the complex's sidewalks and playgrounds, they sit in abandoned high-rise apartments armed with high-powered rifles fitted with telescopic sights.

They pick their targets at random as soon as the sun begins to set.

The culprits are gang members, police and residents say, teenagers with too much time on their hands and little hope of leaving public housing. They use fear and intimidation to protect the drug trade on their turf. They control buildings unsecured by Chicago Housing Authority patrols, wielding weapons with impunity.

Police sources say the shot that killed Edwards most likely came from the upper floors of a partially occupied 11-story building controlled by two of Cabrini-Green's most powerful gangs. Cabrini-Green residents call it "snipe tower," a favorite nest for killers.

"You can't go out at night near there," said Michael, 15. "They have Uzis, deer rifles, Tech-9s. They just sit up there and spray."

"If you're out there, you're dead."

#### LEAVING IS ONLY WAY OUT

Chicago Housing Authority officials acknowledge the danger but say they can offer no solutions other than the periodic security sweeps that usually net only a handful of firearms.

"Cabrini is a reflection of the city at large," said Robert Whitfield, the Chicago Housing Authority's chief operating officer. "Just this morning we had a report of a police car being sniped at on State Street."

"If they are sniping at police cars, they'll shoot at everything. It's unfortunate and I'm sorry. If we lose one resident a year, that is too many. But it is a problem we do not know how to solve. We don't have enough police and adequate security. Unfortunately, the only solution is to leave."

Laquanda Edwards knew that. Her mother took a summer job as a janitor to help her family earn enough for the \$525-a-month rent they needed to move to Palatine, where her brother and sister-in-law live.

But by Friday night, Laquanda's belongings had been cleared out of the bedroom she shared with her mother.

"I threw them all away," Lueella Edwards said. "My baby wanted so badly to get out of here, and now she is gone."

□ 1100

Mr. DREIER of California. Mr. Speaker, I yield 6½ minutes to the gentleman from Baton Rouge, LA, Mr. BAKER, who was a coauthor of this very important amendment, which unfortunately was not allowed. That is one of the reasons we want to defeat the legislation.

Mr. BAKER. Mr. Speaker, regrettably, the House Rules Committee failed to make an order on an amendment that I have proposed with many other hard working members to modernize the Federal Home Loan Bank System.

At both the subcommittee and full committee mark up of the Housing and Community Development Act of 1992, we discussed and proposed legislation in the form of an amendment to modernize the Federal Home Loan Bank System. At the request of the chairman, we withdrew this proposal for consideration at a later date. We strongly believe that the Federal Home Loan Bank Modernization Act of 1992 should be a component of any legislation to enhance housing opportunities during the 102d Congress, whether it be the housing reauthorization or the Government sponsored enterprises legislation.

Throughout several hearings this year, including those for H.R. 4073, the Emergency Community Development Act of 1992; those for H.R. 5334, the Housing and Community Development Act of 1992; and those 3 days of hearings on H.R. 4973—now amended and perfected—the Federal Home Loan Bank Modernization Act of 1992, we have underscored the problems of the Federal Home Loan Bank System: Declining advances, declining earnings, declining dividends, and declining savings association membership. In addition to directly impacting the availability of housing related finance in the financial marketplace, these results directly impact the percentage of the Federal Home Loan Bank System [FHLB System] earnings that are dedicated to the Affordable Housing Program [AHP] and the Community Investment Program [CIP].

We have the opportunity this year to modernize the FHLB System and to accomplish the following goals: First, to enhance the availability of housing related finance so that more people may realize their dream of homeownership; second, to equalize the antiquated membership rules so that they may reflect the current market participants in housing related finance; third, to increase the earnings of the Federal Home Loan Bank System; and, fourth, to strengthen existing AHP and CIP programs by restoring the System to profitability.

The FHLB System dates back to 1932 when 12 regional banks were first established to enhance the availability of housing related finance during difficult economic times. The role of the FHLB System has changed dramatically over the past 60 years. Prior to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA], the Federal Home Loan Bank Board served the savings and loan industry as a regulator [the Board], as an insurer—Federal Savings and Loan Insurance Corporation or FSLIC—and as a provider of funds—the regional banks. FIRREA transferred the roles of the regulator of the savings associations and of the district FHLB's to the Office of Thrift Supervision [OTS] and to the Federal Housing Finance Board [FHFB]

respectively. Finally, FIRREA transferred the role of the insurer for savings associations to the Federal Deposit Insurance Corporation [FDIC]. Today the FHLB System provides loans, called advances to member savings associations, commercial banks, community banks, credit unions and insurance companies for residential housing finance. The System also provides interest rate risk management services, provides annual funding for the savings and loan rescue, and finances programs for affordable housing.

Regrettably, the FHLB System's profitability has steadily declined over the past several years. In 1989, the FHLB System posted record earnings of \$1.8 billion. In 1990, the figure dropped to \$1.43, and then to \$1.15 billion in 1991. By most every approximation, the earnings this year will total only \$700 million to \$800 million. The first reason for this decline is that the membership of the FHLB System was historically, and is currently, geared predominantly toward the savings and loan industry. The number of savings and loans has dropped from 2,934 at the time of FIRREA, to same 2,100 today. The OTS further expects that the total number of savings associations will be approximately 1,800 after the industry contraction is complete. While savings and loans once dominated the housing finance industry, commercial banks and community banks have now steadily outpaced them. The FHLB System must be modernized to accommodate these changes.

The second drain on the FHLB System's profitability is its yearly \$300 million contribution to pay off a designated percentage of the interest on the obligations of the Resolution Funding Corporation [REFCORP] which provides independent funding for the RTC. FIRREA structured this payment so that the FHLB System initially contribute the aggregate amount of systemwide retained earnings at the time of FIRREA, which amounted to \$2.1 billion, and then follow on a yearly basis with a fixed \$300 million assessment. As originally contemplated in FIRREA, this fixed assessment amounted to 20 percent of systemwide earnings. Because of the declining membership and earnings of the FHLB System today, this fixed contribution now amounts to approximately 34 percent of the System's earnings and may far exceed 40 percent next year.

Our legislative proposal, the Federal Home Loan Bank Modernization Act of 1992, restores profitability, provides access to those genuinely in the business of housing related finance, and enhances existing AHP and CIP programs.

First, our legislation provides for equal voluntary access and uniform membership requirements for all FHLB System members. This transition in-

cludes equalizing the minimum stock purchase requirements, as well as equalizing the ongoing stock-to-borrowing requirement. To date, these inequities have tied up an unnecessary amount of savings association capital through the initial stock contribution to the FHLB System, as well as discouraged nonsavings association members from borrowing because of the egregiously high ongoing stock-to-borrowing ratios. Our proposal also eliminates the existing priority that restricts a district bank from extending new advances in an aggregate amount to nonsavings association borrowers that would exceed 30 percent of that district bank's total advances.

Second, our proposal modifies the FHLB System's annual contribution to REFCORP to the lesser of 20 percent of systemwide earnings or \$300 million. The proposal provides the Federal Housing Finance Board with authority to establish procedures for a backup payment in the event that 20 percent of systemwide earnings does not yield \$300 million in any given year. More specifically, to the extent that 20 percent of systemwide earnings does not yield \$300 million, the FHLB will impose an assessment on savings association insurance fund members at a rate necessary to equal the deficiency. This assessment will be transferred to the funding corporation no later than the date by which any payment by the FHLB's is due for such year. Unfortunately, the effect of FIRREA was to tax the FHLB System for the problems of the savings and loan industry, rather than taxing the savings and loan industry directly. Our proposal adjusts this mechanism only to the extent that 20 percent of FHLB systemwide earnings does not exceed \$300 million.

We again stress that it is essential to act on the Federal Home Loan Bank Modernization Act of 1992 in the short time we have remaining this year. The Congressional Budget Office, the Office of Thrift Supervision, and the Federal Housing Finance Board continue to recognize the shortcomings in the profitability of the FHLB System in the current residential housing finance market. This proposal has support from the regulators, the district banks, and most FHLB System members.

We have the opportunity to make dramatic improvements to the Federal Home Loan Bank System. The System plays an integral role in the delivery of housing related finance, yet the Congress has ignored the System's decline since the passage of FIRREA. At a time of nationwide mergers and acquisitions, the FHLB System provides an attractive alternative for community lending institutions. The components of our proposal, when taken together, provide the necessary changes to modernize the Federal Home Loan Bank System, and to restore the System to profitability. It is our hope and inten-

tion that we can act on this proposal this year.

Mr. Speaker, I ask the distinguished gentleman from California [Mr. DREIER] if he would join me in a brief colloquy, since I was not present for the full deliberations of the Committee on Rules.

It was my understanding that, at a later hour, there were discussions with the distinguished chairman from the Committee on Banking relating to the possibility of a markup on the Federal home loan bank bill, known as the Baker-Neal proposal, at a later time. I would ask the gentleman, is my understanding correct?

Mr. DREIER of California. Will the gentleman yield?

Mr. BAKER. I yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, let me say to my friend, the gentleman from Louisiana, at the outset, that when he was in the room I had asked the question of our colleague, the gentleman from Georgia [Mr. BARNARD] as to whether or not we would be able to move in a timely manner in addressing this.

He is retiring. His fear is that with as many as 150-plus new Members of Congress coming in, as we go through the orientation, he predicted that we would not be able to address this until June 1993. That, of course, led many of us to have concern.

Mr. BAKER. That was an optimistic projection.

Mr. DREIER of California. Many of us were concerned.

The gentleman from Texas [Mr. FROST], who was on the committee, told us he was sympathetic with the goals of this amendment, and in fact had had a conversation with the chairman of the Committee on Banking, the gentleman from Texas [Mr. GONZALEZ], and had an assurance that we would see not just hearings but we would see a bill moved ahead before the end of this Congress.

I will be happy to yield to the distinguished chairman of the committee, Mr. GONZALEZ, to see if he could confirm that conversation the gentleman from Texas [Mr. FROST] reported to us in the Committee on Rules.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding to me, and I am glad he did ask me. This is something I have repeatedly said.

The gentleman was present at the Committee on Rules hearing in which I again reassured, and I am quite surprised and disappointed that the gentleman from Louisiana [Mr. BAKER] would take it out on the rule. I would mention for the RECORD that I have received a letter from the Kansas-Nebraska League of Savings Institutions



in which they oppose this, because they have not been heard.

I just want to say that there was a good reason why the Committee on Rules did not provide a rule. First, we could have attacked this on germaneness at this point, but I did not want to do that. I have assured everybody concerned that as soon as we hear from the industry, such as these people from Kansas and Nebraska that are very concerned about this and its impact, as it is presently written, that we are going to proceed as soon as it is humanly possible. We are not going to wait until next year. That assurance has been given time and time again. I am just surprised that it is acted as if it has not already been given and sworn to.

I would ask the gentleman from California [Mr. DREIER] if that answers the gentleman's question.

Mr. DREIER of California. I would say to the chairman, yes, it does.

Mr. BAKER. Mr. Speaker, I thank the gentleman for his comments.

Certainly, with all deference to the chairman, and with all deference to his opinion in the matter, I would say that we did have 3 days of hearings. We did withdraw voluntarily consideration of this amendment at subcommittee and at full committee in discussion with the chairman in order to have those hearings.

Our understanding at that point was that we would then move to markup of the matter at a later hour. There has been some indication by various members of the savings and loan industry that they have problems with the legislation. Frankly, that is not my job at this moment. My job is to make sure the system stays whole and that the consumer is protected.

With those statements, I am most appreciative of the chairman's willingness to conduct a markup, and I am grateful for his willingness to proceed.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would simply like to say, on the amendment regarding the lender liability provision which I referred to earlier, I hope very much that we are able to defeat the previous question and make this amendment in order.

Mr. Speaker, I would like to read briefly a letter that just came out yesterday from Mr. Casey, the president of the Resolution Trust Corporation. In his letter he said:

As of July 1, 1992, the Resolution Trust Corporation had identified approximately 1,200 properties with potential hazardous substance problems, as defined in the proposal, which are likely to be difficult to sell. These properties have a total book value of approximately \$2 billion. Our conservative estimate is that \$250 to \$375 million would be saved from reduced holding costs and higher sales prices.

To maximize its performance, the RTC needs this type of legislation.

I am referring, of course, to legislation which has 271 cosponsors. An overwhelming number of organizations have demonstrated their support for it. As Al Greenspan said, this is the best way for us to effectively deal with the credit crunch.

I hope very much that we will defeat the previous question and make our amendment in order so we can proceed with this measure.

RESOLUTION TRUST CORPORATION,  
Washington, DC, August 4, 1992.

Hon. DAVID DREIER,  
House of Representatives, Washington, DC.

DEAR MR. DREIER: I want to extend my appreciation for your efforts and leadership in attempting to limit lender liability associated with the presence of hazardous substances on properties held by the Resolution Trust Corporation. I am encouraged that you will request that the House Committee on Rules to make in order a rule to allow for the consideration of a lender liability provision that is of the utmost importance to the Resolution Trust Corporation. This provision, which passed the Senate on July 1, 1992, is an essential component in assisting the RTC to minimize the cost of the thrift clean-up to the taxpayers.

As you know, while acting as receiver or conservator, the RTC regularly inherits real estate and loans with collateral which has been contaminated by hazardous substances or underground storage tanks. Subtitle D of S. 2733, the Federal Housing Enterprises Regulatory Reform Act of 1992, would protect the RTC from incurring hazardous substance and underground storage tank liability, and would therefore limit the taxpayers' costs associated with resolving failed and failing depository institutions.

As of July 1, 1992, the RTC had identified approximately 1,200 properties with potential hazardous substance problems, as defined in the proposal, which are likely to be difficult to sell. These properties have a total book value of approximately \$2 billion. Our conservative estimate is that \$250 to \$375 million would be saved from reduced holding costs and higher sales prices.

To maximize its performance, the RTC needs this type of legislation to be assured that actions it takes to protect its security interest do not constitute a degree of participation in management of assets which would trigger liability under hazardous substance laws. Subtitle D would exempt the RTC and the first subsequent purchaser of contaminated properties from the RTC liability for hazardous substance clean-up where it did not cause the contamination. The RTC supports this legislation because it would limit the liability of the RTC and its subsequent purchasers for hazardous substance clean-up.

Thank you again for your consideration of this vital issue. The adoption of the provision will help us improve the performance of the RTC while minimizing the cost of the thrift clean-up to the taxpayers.

With best wishes.

Sincerely,

ALBERT V. CASEY,  
President and CEO.

Mr. Speaker, I yield back the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. MURTHA). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 163, not voting 27, as follows:

[Roll No. 362]

YEAS—244

Abercrombie	Flake	Moody
Ackerman	Foglietta	Mrazek
Alexander	Ford (MI)	Murphy
Anderson	Frank (MA)	Murtha
Andrews (ME)	Frost	Nagle
Andrews (NJ)	Gaydos	Natcher
Andrews (TX)	Gedjenson	Neal (MA)
Annuzio	Gephardt	Nowak
Anthony	Geren	Oakar
Applegate	Gibbons	Oberstar
Aspin	Glickman	Obey
Atkins	Gonzalez	Olin
AuCoin	Gordon	Olver
Bacchus	Guarini	Ortiz
Beilenson	Hall (OH)	Orton
Bennett	Hall (TX)	Owens (NY)
Berman	Hayes (IL)	Owens (UT)
Bevill	Hayes (LA)	Pallone
Bilbray	Hefner	Panetta
Blackwell	Hoagland	Parker
Bonior	Horn	Pastor
Borski	Hoyer	Patterson
Boucher	Hubbard	Payne (NJ)
Boxer	Hughes	Payne (VA)
Brewster	Jefferson	Pease
Brooks	Jenkins	Pelosi
Browder	Johnson (SD)	Penny
Brown	Johnston	Perkins
Bruce	Jones (GA)	Peterson (FL)
Bryant	Jones (NC)	Peterson (MN)
Bustamante	Jontz	Pickett
Byron	Kanjorski	Pickle
Campbell (CO)	Kaptur	Poshard
Cardin	Kennedy	Price
Carper	Kennelly	Rahall
Carr	Kildee	Rangel
Chapman	Kleczka	Ray
Clay	Kolter	Reed
Clement	Kopetski	Richardson
Coleman (TX)	Kostmayer	Roe
Collins (IL)	LaFalce	Roemer
Cooper	Lancaster	Rose
Costello	Lantos	Rostenkowski
Cox (IL)	LaRocco	Rowland
Coyne	Laughlin	Roybal
Cramer	Lehman (CA)	Russo
Darden	Lehman (FL)	Sabo
de la Garza	Levin (MI)	Sanders
DeFazio	Levine (CA)	Sangmeister
DeLauro	Lewis (GA)	Sarpalus
Dellums	Lipinski	Savage
Derrick	Lloyd	Sawyer
Dicks	Long	Scheuer
Dingell	Lowe (NY)	Schroeder
Dixon	Luken	Schumer
Donnelly	Manton	Serrano
Dooley	Markey	Sharp
Dorgan (ND)	Martinez	Sikorski
Downey	Matsui	Slisisky
Durbin	Mavroules	Skaggs
Dwyer	Mazzoli	Skelton
Dymally	McCloskey	Slattery
Early	McCurdy	Slughter
Eckart	McDermott	Smith (FL)
Edwards (CA)	McHugh	Smith (IA)
Edwards (TX)	McMillen (MD)	Solarz
Engel	McNulty	Spratt
English	Mfume	Stallings
Espy	Miller (CA)	Stark
Evans	Mineta	Stenholm
Fascell	Mink	Stokes
Fazio	Moakley	Studds
Feighan	Mollohan	Swett

Swift  
Synar  
Tallon  
Tanner  
Tauzin  
Taylor (MS)  
Thomas (GA)  
Thornton  
Torres

Trafficant  
Unsoeld  
Valentine  
Vento  
Visclosky  
Washington  
Waters  
Waxman  
Weiss

Wheat  
Wilson  
Wise  
Wolpe  
Wyden  
Yates  
Yatron

## NAYS—163

Allard  
Allen  
Archer  
Armey  
Baker  
Ballenger  
Barrett  
Barton  
Bateman  
Bereuter  
Billirakis  
Billey  
Boehert  
Boehner  
Bunning  
Burton  
Callahan  
Camp  
Campbell (CA)  
Chandler  
Clinger  
Coble  
Coleman (MO)  
Combust  
Coughlin  
Cox (CA)  
Crane  
Cunningham  
Dannemeyer  
DeLay  
Doolittle  
Dornan (CA)  
Dreier  
Duncan  
Emerson  
Erdreich  
Ewing  
Fawell  
Fields  
Fish  
Franks (CT)  
Gallely  
Gallo  
Gekas  
Gilchrist  
Gilman  
Gingrich  
Goodling  
Goss  
Gradison  
Grandy  
Green  
Gunderson  
Hamilton  
Hammerschmidt

Hancock  
Hansen  
Harris  
Hastert  
Hefley  
Henry  
Herger  
Hobson  
Holloway  
Hopkins  
Horton  
Houghton  
Huckaby  
Hunter  
Hutto  
Hyde  
Inhofe  
Jacobs  
James  
Johnson (CT)  
Johnson (TX)  
Kasich  
Klug  
Kolbe  
Kyl  
Lagomarsino  
Leach  
Lent  
Lewis (CA)  
Lewis (FL)  
Lightfoot  
Livingston  
Machley  
Marlenee  
Martin  
McCandless  
McCollum  
McCrery  
McDade  
McEwen  
McGrath  
McMillan (NC)  
Meyers  
Michel  
Miller (OH)  
Miller (WA)  
Mollinari  
Montgomery  
Moorhead  
Morella  
Morrison  
Myers  
Nussle  
Oxley  
Packard

Paxon  
Petri  
Porter  
Pursell  
Ramstad  
Ravenel  
Regula  
Rhodes  
Ridge  
Riggs  
Rinaldo  
Ritter  
Roberts  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roth  
Roukema  
Santorum  
Saxton  
Schaefer  
Schiff  
Sensenbrenner  
Shaw  
Shays  
Shuster  
Skeen  
Smith (NJ)  
Smith (OR)  
Smith (TX)  
Snowe  
Solomon  
Spence  
Stearns  
Stump  
Sundquist  
Taylor (NC)  
Thomas (CA)  
Thomas (WY)  
Upton  
Vucanovich  
Walker  
Walsh  
Weber  
Weldon  
Williams  
Wolf  
Wyllie  
Young (AK)  
Young (FL)  
Zelliff  
Zimmer

## NOT VOTING—27

Barnard  
Bentley  
Broomfield  
Collins (MI)  
Condit  
Conyers  
Davis  
Dickinson  
Edwards (OK)

Ford (TN)  
Gillmor  
Hatcher  
Hertel  
Hochbrueckner  
Ireland  
Lowery (CA)  
Moran  
Neal (NC)

Nichols  
Schulze  
Stagers  
Torricelli  
Towns  
Traxler  
Vander Jagt  
Volkmer  
Whitten

## □ 1128

Messrs. WYLLIE, ERDREICH, GILMAN, and HUCKABY changed their vote from "yea" to "nay."

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. DREIER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 251, noes 154, not voting 29.

[Roll No. 363]

## AYES—251

Abercrombie  
Ackerman  
Alexander  
Anderson  
Andrews (ME)  
Andrews (NJ)  
Andrews (TX)  
Annunzio  
Anthony  
Applegate  
Aspin  
Atkins  
AuCoin  
Bacchus  
Bellenson  
Bennett  
Berman  
Bevill  
Billbray  
Blackwell  
Bonior  
Borski  
Boucher  
Boxer  
Brewster  
Brooks  
Browder  
Brown  
Bruce  
Bryant  
Bustamante  
Byron  
Campbell (CO)  
Cardin  
Carper  
Carr  
Chapman  
Clay  
Clement  
Coleman (TX)  
Collins (IL)  
Cooper  
Costello  
Cox (IL)  
Coyne  
Cramer  
Darden  
de la Garza  
DeFazio  
DeLauro  
Dellums  
Derrick  
Dicks  
Dingell  
Dixon  
Donnelly  
Dooley  
Dorgan (ND)  
Downey  
Durbin  
Dwyer  
Dymally  
Early  
Eckart  
Edwards (CA)  
Edwards (TX)  
Engel  
English  
Erdreich  
Espy  
Evans  
Fascell  
Fazio  
Felghan  
Fish  
Flake  
Ford (MI)  
Frank (MA)  
Frost  
Gaydos  
Gejdenson  
Gephardt

Geren  
Gibbons  
Gilman  
Glickman  
Gonzalez  
Gordon  
Guarini  
Hall (OH)  
Hall (TX)  
Hamilton  
Harris  
Hayes (IL)  
Hayes (LA)  
Hefner  
Hoagland  
Horn  
Horton  
Hoyer  
Hubbard  
Huckaby  
Hughes  
Hutto  
Jenkins  
Johnson (SD)  
Johnston  
Jones (NC)  
Jontz  
Kanjorski  
Kaptur  
Kennedy  
Kennelly  
Kildee  
Kleczka  
Kolter  
Kopetski  
Kostmayer  
LaFalce  
Lancaster  
Lantos  
LaRocco  
Laughlin  
Lehman (CA)  
Lehman (FL)  
Levin (MI)  
Levine (CA)  
Lewis (GA)  
Lipinski  
Lloyd  
Long  
Lowey (NY)  
Luken  
Manton  
Markay  
Martinez  
Matsui  
Mavroules  
Mazzoli  
McCloskey  
McCurdy  
McDade  
McDermott  
McGrath  
McHugh  
McMillen (MD)  
McNulty  
Mfume  
Miller (CA)  
Mineta  
Mink  
Moakley  
Mollohan  
Montgomery  
Moody  
Mrazek  
Murphy  
Murtha  
Nagle  
Natcher  
Neal (MA)  
Neal (NC)  
Oakar  
Oberstar

Obey  
Olin  
Oliver  
Ortiz  
Pallone  
Panetta  
Parker  
Pastor  
Patterson  
Payne (NJ)  
Payne (VA)  
Pease  
Pelosi  
Penny  
Perkins  
Peterson (FL)  
Peterson (MN)  
Pickett  
Pickle  
Poshard  
Price  
Rahall  
Rangel  
Ray  
Reed  
Richardson  
Roe  
Roemer  
Rose  
Rostenkowski  
Rowland  
Roybal  
Russo  
Sabo  
Sanders  
Sangmeister  
Sarpalius  
Savage  
Sawyer  
Scheuer  
Schroeder  
Serrano  
Sharp  
Sikorski  
Slitsky  
Skaggs  
Skeltan  
Slattery  
Slaughter  
Smith (FL)  
Smith (IA)  
Solarz  
Spratt  
Staggers  
Stallings  
Stark  
Stenholm  
Stokes  
Studds  
Swett  
Swift  
Synar  
Tallon  
Tanner  
Tauzin  
Taylor (MS)  
Thomas (GA)  
Thornton  
Torres  
Traficant  
Unsoeld  
Valentine  
Vento  
Visclosky  
Washington  
Waxman  
Weiss  
Wheat  
Whitten  
Williams  
Wilson

Wise  
Wolpe

Wyden  
Wyllie

Yates  
Yatron

## NOES—154

Allard  
Allen  
Archer  
Armey  
Baker  
Ballenger  
Barrett  
Barton  
Bateman  
Bereuter  
Billirakis  
Billey  
Boehert  
Boehner  
Broomfield  
Bunning  
Burton  
Callahan  
Camp  
Campbell (CA)  
Chandler  
Clinger  
Coble  
Coleman (MO)  
Combust  
Coughlin  
Cox (CA)  
Crane  
Cunningham  
Dannemeyer  
DeLay  
Doolittle  
Dornan (CA)  
Dreier  
Duncan  
Emerson  
Ewing  
Fawell  
Fields  
Franks (CT)  
Gallely  
Gallo  
Gekas  
Gilchrist  
Gillmor  
Gingrich  
Goodling  
Goss  
Gradison  
Grandy  
Green  
Gunderson

Hammerschmidt  
Hancock  
Hansen  
Hastert  
Hefley  
Henry  
Herger  
Hobson  
Holloway  
Hopkins  
Hunter  
Hyde  
Inhofe  
Jacobs  
James  
Johnson (CT)  
Johnson (TX)  
Kasich  
Klug  
Kolbe  
Kyl  
Lagomarsino  
Leach  
Lent  
Lewis (CA)  
Lewis (FL)  
Lightfoot  
Livingston  
Machley  
Marlenee  
Martin  
McCandless  
McCollum  
McCrery  
McEwen  
McMillan (NC)  
Meyers  
Michel  
Miller (OH)  
Miller (WA)  
Mollinari  
Moorhead  
Morella  
Morrison  
Myers  
Nowak  
Nussle  
Orton  
Owens (UT)  
Oxley  
Packard  
Paxon

Petri  
Porter  
Pursell  
Quillen  
Ramstad  
Ravenel  
Regula  
Rhodes  
Ridge  
Riggs  
Rinaldo  
Ritter  
Roberts  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roth  
Roukema  
Santorum  
Saxton  
Schaefer  
Schiff  
Sensenbrenner  
Shaw  
Shays  
Shuster  
Skeen  
Smith (NJ)  
Smith (OR)  
Smith (TX)  
Snowe  
Solomon  
Spence  
Stearns  
Stump  
Sundquist  
Taylor (NC)  
Thomas (CA)  
Thomas (WY)  
Upton  
Vucanovich  
Walker  
Walsh  
Weber  
Weldon  
Wolf  
Young (AK)  
Young (FL)  
Zelliff  
Zimmer

## NOT VOTING—29

Barnard  
Bentley  
Collins (MI)  
Condit  
Conyers  
Davis  
Dickinson  
Edwards (OK)  
Foglietta  
Ford (TN)

Hatcher  
Hertel  
Hochbrueckner  
Houghton  
Ireland  
Jefferson  
Jones (GA)  
Lowery (CA)  
Moran  
Nichols

Owens (NY)  
Schulze  
Schumer  
Torricelli  
Towns  
Traxler  
Vander Jagt  
Volkmer  
Waters

## □ 1146

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

# APPOINTMENT OF CONFEREES ON H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5487) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending Sep-



tember 30, 1993, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SKEEN

Mr. SKEEN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. SKEEN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 5487 be instructed to insist on the House position on the Senate amendment numbered 43.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes, and the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes.

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not intend to take much time in explaining the nature and purpose of my motion. The House-passed bill providing appropriations for Agriculture, rural development, FDA, and related programs for fiscal year 1993, provides for \$329,500,000 for the Farmers Home Administration section 502 unsubsidized loan guarantee program. This is the same amount which was agreed to and appropriated for the fiscal year 1992 program. The Senate-passed bill only provides \$200 million, a reduction of \$129,500,000 below the House level. My motion to instruct simply requests that our House conferees adhere to the House level of funds in order to assure that a reasonable number of low- and moderate-income rural area home purchasers are given the opportunity to purchase modest and affordable housing.

Mr. Speaker, I urge adoption of the motion.

□ 1150

Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Certainly I support the gentleman's motion to instruct. Let me also, if I may, very briefly mention one other thing. The most recent farm bill has a big black eye in the market promotion program. The committee, I think quite rightly, recognized that this is not a good program and it should not stand at \$200 million, so it cut its funding to \$75 million.

Unfortunately, the other body increased that funding back to \$175 million. It would be my hope that the con-

ferees would insist on the \$75 million provision that this committee so responsibly established. I would encourage them to do so.

Mr. Speaker, I must say that I will be quite active in my opposition to the conference report if in fact the number comes back at a figure higher than \$75 million.

Mr. SKEEN. Mr. Speaker, I urge the adoption of my motion to instruct.

The SPEAKER pro tempore (Mr. KANJORSKI). Does the gentleman from Mississippi [Mr. WHITTEN] request time?

Mr. WHITTEN. Mr. Speaker, I have no objection to the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New Mexico [Mr. SKEEN].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. WHITTEN, TRAXLER, MCHUGH, NATCHER, and DURBIN, Ms. KAPTUR, Messrs. PRICE, MRAZEK, SMITH of Iowa, SKEEN, MYERS of Indiana, and WEBER, Mrs. VUCANOVICH, and Mr. MCDADE.

There was no objection.

#### APPOINTMENT OF CONFEREES ON S. 1671, WASTE ISOLATION PILOT PLANT LAND WITHDRAWAL ACT OF 1991

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1671) to withdraw certain public lands and to otherwise provide for the operation of the waste isolation pilot plant in Eddy County, NM, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan? The Chair hears none and, without objection, appoints the following conferees:

From the Committee on Interior and Insular Affairs, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. MILLER of California, VENTO, KOSTMAYER, RICHARDSON, LAROCO, YOUNG of Alaska, RHODES, and HEFLEY.

From the Committee on Energy and Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. DINGELL, SHARP, SYNAR, SWIFT, BRUCE, LENT, MOORHEAD, and DANNEMEYER.

Except that, solely for consideration of section 9 (a) and (c) of the Senate bill, and section 14 (a) and (b) of the House amendment, Mr. SCHAEFER is appointed in lieu of Mr. DANNEMEYER.

From the Committee on Armed Services, for consideration of the Senate

bill, and the House amendment, and modifications committed to conference: Messrs. ASPIN, SPRATT, and SISISKY, Mrs. SCHROEDER, Mrs. LLOYD, and Messrs. DICKINSON, SPENCE, and KYL.

There was no objection.

#### HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 537 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5334.

□ 1153

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes, with Mr. HEFNER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, today we are considering H.R. 5334, the Housing and Community Development Act of 1992, which contains the reauthorization of all the urban and rural federally subsidized housing and community development programs for fiscal year 1993. Two years ago this body passed landmark housing legislation—the National Affordable Housing Act of 1990. H.R. 5334 makes technical and programmatic changes to the 1990 Housing Act, expands upon existing housing assistance programs, and provides new approaches to several issues, including mixed populations in public and assisted housing.

I want to thank all of my colleagues on the Banking Committee for their efforts on this bill. I particularly want to note my appreciation for my friends and colleagues CHALMERS WYLIE and MARGE ROUKEMA. As ranking member on the Banking Committee, CHALMERS WYLIE has provided leadership and bipartisan cooperation on this, and so many of our past housing bills. As ranking member of the Subcommittee on Housing and Community Development, MARGE ROUKEMA has also provided much appreciated leadership and cooperation in moving this legislation forward. In addition, I want to thank GERRY KLECZKA who has made tremen-

dous contributions to the bill in working out a solution that is fair to all concerned to the complex problem of mixing elderly and nonelderly in public and assisted housing.

This bill reauthorizes a home ownership program I have sought—the national homeownership trust; it includes the HOPE programs the administration seeks; and it improves on the home investment partnership, the New Housing Production Program created in 1990 to reverse the neglect and intentional degradations of such programs by the past administration. As I mentioned above, a new initiative in this year's bill provides a solution to the thorny problems of mixing the elderly and the nonelderly disabled in public and assisted housing. It also includes an extension of CDBG funding, Indian housing programs and rural housing programs. Finally, the legislation provides initiatives for the prevention of homelessness and for the rehabilitation of vacant public housing units. This legislation represents a balanced and integrated package of initiatives and existing programs that will not only provide new home ownership opportunities for those currently unable to take advantage of such opportunities, but will

also provide much needed rental housing for thousands.

If the en bloc amendment is adopted, the bill will authorize for fiscal year 1993, a total of \$28.8 billion for federally subsidized housing and community development programs which are administered by HUD and the Farmers Home Administration in both urban and rural areas. Of the \$28.8 billion, the bill will authorize the following: \$16.9 billion for HUD public and assisted housing programs, including \$8.8 billion for section 8 contract renewals and amendments; \$384 million for the HOPE home ownership programs; \$520.7 million for the National Home Ownership Trust Program for first-time home buyers; \$2.1 billion for the HOME Program; \$856.6 million for the preservation of federally assisted housing; \$1.9 billion for elderly and disabled advances and rental assistance; \$1.2 billion for the FmHA rural housing loan and grant programs; \$3.3 billion for the Community Development Block Grant Program; and \$705.9 million for the HUD McKinney homeless programs.

H.R. 5334 represents a bipartisan effort to reauthorize all the federally assisted housing and community development programs which are critical to

our Nation's urban and rural areas. The committee has incorporated, for instance, several initiatives proposed by the administration, including the safe havens for homeless individuals demonstration program, to assist homeless persons with mental illness and substance abuse problems, the consolidation of two existing homeless programs into the supportive housing programs to effectively deliver housing and services to the homeless, the merger of the activities under the Shelter Plus Care Program to simplify the program application process, and funding for the administration's HOPE programs. The bill also includes changes to improve the HOME Program, and to the Public Housing Program and provides a solution to the complicated issue of mixing elderly and nonelderly in public and assisted housing. Finally, the committee bill establishes a rural homelessness grant program and amends the farmer home property disposition program to assist the homeless in rural areas.

I urge my colleagues to support this bill and join me in demonstrating Congress' commitment to providing safe, decent, sanitary, and affordable housing to all of our citizens.

#### COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS

	Fiscal year—					
	1992 authorization	1992 administration request	1992 appropriations <sup>1</sup>	1993 administration request	1993 H.R. 5334	1993 revision, H.R. 5334
<b>Title I—Housing Assistance:</b>						
<b>Subtitle A—General Provisions</b>	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	14,552,589,078
<b>Subtitle B—Public and Indian Housing</b>	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,129,587,200
<b>Subtitles C/D—Section 8/Other Programs</b>	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	266,740,736
<b>Subtitle E—Homeownership Programs</b>	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	904,665,600
<b>Title I total</b>	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	17,853,582,614
<b>Title II—Home Program</b>	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	2,082,662,400
<b>Title III—Preservation Program</b>	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	856,627,200
<b>Title IV—Multifamily Strategies</b>						
<b>Title V—Mortgage Insurance</b>	0	0	506,151,000	638,736,000	638,736,000	615,186,560
<b>Title VI—Elderly and Disabled Housing</b>	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	2,251,857,777
<b>Title VII—Rural Housing</b>	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,191,580,251
<b>Title VIII—Community Development</b>	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	3,321,203,200
<b>Title IX—Regulatory and Misc. Programs</b>	28,934,000	43,000,000	33,000,000	42,750,000	32,600,000	28,354,560
<b>Title X—McKinney Homeless Programs</b>	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	709,785,600
<b>Title XI—New Towns Demonstration</b>					(?)	(?)
<b>Total</b>	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	28,910,840,161
<b>Title I—Housing Assistance:</b>						
<b>Subtitle A—General Provisions:</b>						
Public Housing Grants	574,500,000	0	573,983,000	0	597,480,000	573,580,800
Indian	237,800,000	0	227,170,000	0	247,312,000	237,419,520
Sec. 8—Certificates	1,960,800,000	0	915,750,000	0	2,039,232,000	1,957,662,720
Sec. 8—Multicultural Tenant Assist					(?)	(?)
CIAP	2,242,500,000	2,266,967,000	2,800,975,000	2,291,750,000	2,332,200,000	2,238,912,000
Sec. 8—Property Disposition/restore	438,100,000	266,682,500	88,884,000	110,000,000	455,624,000	437,399,040
Sec. 8—Loan Management/restore	166,900,000	348,750,000	257,000,000	202,400,000	173,576,000	166,632,960
Sec. 8—Expiring Contracts	7,100,000,000	7,024,589,000	7,355,128,000	7,261,632,000	7,261,632,000	6,971,166,720
Sec. 8—Contract Amendments	1,690,200,000	2,615,590,500	2,488,250,000	1,918,800,550	1,918,800,550	1,842,048,528
P.H. Lease Adjust/Amend	216,100,000	112,000,000	112,000,000	21,755,000	21,755,000	20,884,800
Sec. 8—P.H. Replacements	82,500,000	0	(35,997,548)	0	85,800,000	82,368,000
Section 23 Conversions		35,150,000	16,666,000	25,535,406	25,535,406	24,513,990
Weed & Seed Proposal				(39,929,948)		
Moving to Opportunity Proposal				(38,151,899)	(?)	(?)
P.H. Homeownership 5(h)/Voucher Proposal				(45,023,994)		
Sec. 8—Vouchers		2,145,600,000	777,500,000	2,690,813,463		(959,254,733)
Sec. 8—Elderly Coordinators		(16,250,000)	(16,250,000)	15,437,500		
Certificates/Voucher Opt-outs		31,100,000	16,667,000	0	813,500,000	
Rent Supp./RAP Conversions		41,000,000	16,667,000	0	15,438,000	
Low-Inc. Hsg. Authorization—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	14,552,589,078
HOPE for Family Self-Sufficiency	(25,000,000)		(?)	(?)	(25,000,000)	(24,000,000)
<b>Subtitle A—Subtotal</b>	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	14,552,589,078
<b>Subtitle B—Public and Indian Housing:</b>						
Pub. Hsg. Operating Subsidies	2,086,000,000	2,155,844,000	2,450,000,000	2,282,436,000	2,169,440,000	2,082,662,400
Pub. Hsg. Income Deductions					(?)	(?)
Pub. Hsg. Vacancy Reduction	(?)			0	(?)	(?)
Pub. Hsg. Resident Mgmt	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(?)	(?)
P.H. Family Investment Centers	26,100,000	0	0	0	27,144,000	26,058,240
P.H. Early Child Dev. Grants	(15,700,000)	(5,000,000)	(5,000,000)	(4,750,000)	21,736,000	20,866,560
Indian P.H. Early Child Dev. Grants	(5,200,000)				(?)	(?)
Pub. Hsg. One-Stop Perinatal	(150,000)				(?)	(?)



## COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year—						
	1992 authoriza- tion	1992 administra- tion request	1992 appropria- tions <sup>1</sup>	1993 administra- tion request	1993 H.R. 5334	1993 House ap- propriations	1993 revision, H.R. 5334
National Comm. on Amer. Indians					(?)		(?)
Subtitle B—Subtotal	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs:							
Sec. 8 Family Unification (Foster Care)	35,000,000		(50,000,000)	0	36,400,000	100,000,000	34,944,000
Moving to Opportunity				(38,151,899)	such sums		such sums
Pub. Hsg. Drug Elimination Grants	166,900,000	165,000,000	165,000,000	165,000,000	173,576,000	165,000,000	166,632,960
Flexible Subsidy/RESTORE	52,200,000	203,413,000	50,000,000	50,000,000	54,288,000		52,116,480
Housing Counseling	3,700,000	3,700,000	6,025,000	3,515,000	3,848,000	6,025,000	3,694,080
Emergency Housing Counseling	7,000,000	0	(2,000,000)	0	7,280,000		6,988,800
Counseling Certification Training							2,000,000
Prepurchase Counseling	365,000		350,000		379,600		364,416
Lead Based Paint Demo			50,000,000	23,750,000		100,000,000	
Youthbuild					(?)		(?)
Subtitles C&D—Subtotal	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs:							
HOPE Homeownership Grants:							
I. Public/Indian Housing	380,000,000	380,000,000	161,000,000	450,000,000	100,000,000	161,000,000	96,000,000
II. Multifamily Units	280,000,000	280,000,000	95,000,000	325,000,000	100,000,000	95,000,000	96,000,000
III. Single Family Homes	195,000,000	195,000,000	95,000,000	225,000,000	200,000,000	95,000,000	192,000,000
HOPE Subtotal	855,000,000	855,000,000	351,000,000	1,000,000,000	400,000,000	351,000,000	384,000,000
Pub. Hsg. Non-Purchaser Rental Assist.		53,990,000	0	(62,281,585)			
Pub. Hsg. Replacement Units		215,958,000	0	(249,158,577)			
HOPE 2 Non-Purchaser Assistance				(44,766,898)			
Subtotal	0	269,948,000	0	0	0	0	0
National Homeownership Trust	521,500,000	0	4,200,000	0	542,360,000	0	520,665,600
Trust/MRB Setaside					(?)	0	(?)
Indian Housing Loan Guarantees					(?)		(?)
Subtitle E—Homeownership Subtotal	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
Title I total	18,463,165,000	18,540,334,000	18,723,215,000	18,062,824,919	18,595,398,556	16,999,780,000	17,853,582,614
Title II—HOME Investment Partnerships:							
HOME Investment Partnership Program	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
Comm. Housing Partnership Strategies	(14,000,000)		(14,000,000)		(14,560,000)		(13,977,600)
State/Local Housing Strategies	(11,000,000)		(11,000,000)		(11,440,000)		(10,982,400)
HOME/Indians		(125,000,000)		(125,000,000)		0	
Title II total	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000	2,082,662,400
TITLE III—Preservation:							
Preservation Fund	858,000,000				892,320,000	1,000,000,000	856,627,200
Vouchers/Section 8 Cert		49,042,000	49,042,000	469,256,000			
Incentives/Homeownership		669,420,000	569,420,000	692,742,000	(692,742,000)		
Title III total	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000	856,627,200
Title IV—Multifamily Housing Strategies							
Title V—Mortgage Ins./Secondary Market:							
FHA Credit Limitation (MMI)	(79,818,000,000)	(53,592,815,000)	(60,000,000,000)	(57,146,000,000)	(66,184,980,000)	(59,146,000,000)	65,905,824,960
FHA Credit Subsidy			499,556,000	631,800,000	631,800,000	627,673,000	606,528,000
GNMA Credit Limitation	(88,296,000,000)	(74,769,293,000)	(74,769,293,000)	(77,700,000,000)	(77,700,000,000)	(77,700,000,000)	(74,592,000,000)
GNMA Credit Subsidy			6,595,000	6,936,000	6,936,000	6,680,000	6,658,560
Reinsurance Pilot Program							2,000,000
Title V total	0	0	506,151,000	638,736,000	638,736,000	634,353,000	615,186,560
Title VI—Housing for Elderly/Disabled:							
Sec. 202 Elderly Advances	659,000,000	76,405,000	538,808,000	48,741,560	685,360,000	512,050,000	657,945,600
Elderly Rental Assistance/Leases	363,000,000	122,600,000	451,200,000	127,842,830	765,722,436	571,840,000	735,093,596
Sec. 811 Disabled Advances	271,000,000	76,405,000	102,860,000	49,938,000	281,840,000	100,450,000	270,566,400
Disabled Rental Assistance/Leases	246,000,000	91,940,000	100,159,000	94,701,691	325,122,688	115,710,000	312,117,780
Congregate Services	26,100,000	0	17,700,000	0	27,144,000	7,500,000	26,058,240
Elderly Indep. Sec. 8 Cert/Vouchers	(35,500,000)	(35,800,000)	(35,800,000)	(38,151,899)	36,920,000	(38,288,000)	35,443,200
Elderly Indep. Services	10,400,000	10,400,000	10,000,000	10,246,000	10,816,000	10,000,000	10,383,360
AIDS Housing Program	156,500,000	0	50,000,000	0	162,760,000	100,000,000	156,249,600
Mixed Populations Provisions					50,000,000	30,000,000	48,000,000
Title VI Subtotal	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000	2,251,857,777
Title VII—Rural Housing:							
Sec. 502 Homeownership (Direct) Loans	1,451,100,000	527,000,000	1,245,000,000	450,000,000	1,509,144,000	1,245,000,000	1,448,778,240
Sec. 502 Unsubsidized Direct Loans		32,000,000	50,000,000	0		50,000,000	
Sec. 502 Unsubsidized Guaranteed Loans		347,000,000	329,500,000	300,000,000		329,500,000	
Sec. 502 Subsidized Guaranteed Loans		347,000,000	0	400,000,000	(?)		(?)
Sec. 504 Improvement Loans	12,400,000	11,100,000	11,330,000	11,100,000	12,896,000	11,330,000	12,380,160
Sec. 514 Farm Labor Loans	12,500,000	16,250,000	16,300,000	16,250,000	13,000,000	16,300,000	12,480,000
Sec. 515 Multifamily Loans	739,500,000	341,000,000	573,900,000	341,000,000	769,080,000	500,000,000	738,316,800
Sec. 523 Mutual Self-help Loans	800,000	0	500,000	0	832,000	500,000	798,720
Sec. 524 Site Loans	850,000	0	600,000	0	884,000	600,000	848,640
Aggregate Loan Authority	2,217,150,000	1,621,350,000	2,227,130,000	1,518,350,000	2,305,836,000	2,153,230,000	2,213,602,000
Rural Credit Subsidy Authorizations:							
Sec. 502 Rural Homeownership Loans	272,806,000	99,076,000	234,060,000	84,600,000	283,719,072	303,158,000	272,370,309
Sec. 502 Unsubsidized Guaranteed Loans		3,920,000	3,722,988	5,550,000	0	6,096,000	0
Sec. 504 Rural Improvement Loans	5,381,600	4,817,400	4,917,220	4,817,400	5,596,864	4,578,000	5,372,989
Sec. 514 Farm Labor Loans	7,075,000	9,197,500	9,225,800	9,197,500	7,358,000	8,029,000	7,063,680
Sec. 515 Rural Multifamily Loans	381,582,000	175,956,000	296,132,400	175,956,000	398,845,488	356,550,000	382,891,668
Sec. 523 Mutual Self-Help Loans	102,400	0	64,000	0	106,500	0	102,240
Sec. 524 Site Loans	18,700	0	13,200	0	19,500	0	18,720
Subtotal	666,966,500	292,967,618	548,135,608	280,1220,900	695,645,424	678,411,000	667,819,607
Rural Housing Support Programs:							
Sec. 502 Security Grants	1,100,000	0			1,144,000		1,098,240

## COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year —						
	1992 authoriza- tion	1992 administra- tion request	1992 appropria- tions <sup>1</sup>	1993 administra- tion request	1993 H.R. 5334	1993 House ap- propriations	1993 revision, H.R. 5334
Sec. 504 Improvement Grants	21,100,000	5,000,000	12,500,000	5,000,000	21,944,000	12,500,000	21,066,240
Sec. 509(c) Construction Defects Grants	600,000	0	500,000	0	624,000	500,000	599,044
Sec. 509 Project Preparation Grants	5,300,000	0	2,500,000	0	5,512,000	2,500,000	5,291,520
Sec. 515 Service Coordinators					such sums		such sums
Sec. 516 Farm Labor Grants	21,700,000	5,000,000	11,000,000	10,000,000	22,568,000	11,000,000	21,665,280
Sec. 516(k) Migrant Homeless Program	10,500,000	0	0	0	10,920,000		10,483,200
Sec. 523(f) Mutual/Self-Help Grants	13,900,000	0	8,750,000	0	14,456,000	8,750,000	13,877,760
Sec. 533 Preservation Grants	30,800,000	10,000,000	23,000,000	10,000,000	32,032,000	23,000,000	30,750,720
Subtotal	105,000,000	20,000,000	58,250,000	25,000,000	109,200,000	58,250,000	104,832,004
Rental Assistance Payments (RAP)	414,100,000	258,000,000	308,100,000	190,200,000	430,664,000	308,100,000	413,437,440
Rural Prepayments/Supp. RAP	5,500,000	11,800,000	11,800,000	11,800,000	5,720,000	11,800,000	5,491,200
Rural Housing Vouchers		189,928,000	0	140,000,000			
Title VII total	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000	1,191,580,251
Title VIII—Community Development:							
Community Development Block Grants (CDBG)	3,272,000,000	2,920,000,000	3,400,000,000	2,900,000,000	3,402,880,000	4,000,000,000	3,266,764,800
CDBG Work Study Program	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,120,000)	(3,000,000)	(2,995,200)
Historically Black Colleges	(6,500,000)	(4,500,000)	(4,500,000)	(4,500,000)	(6,760,000)	(4,500,000)	(6,489,600)
Insular Areas	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,280,000)	(7,000,000)	(6,988,800)
Comm./Univ. Partnership					(?)		(?)
CDBG Redevelopment Provision					(?)		(?)
CD Comm. Planning Adjustments					(?)		(?)
CD Reallocations and Tech. Assist.					(?)		(?)
CD Mapping Provision					(?)		(?)
Section 108 Loan Guarantees	(300,000,000)	0	(140,000,000)	0	(312,000,000)	(300,000,000)	(299,520,000)
Special Purpose/Projects Grants			150,000,000	0	17,160,000	(14,500,000)	0
Computerized CD Plans					(?)		(?)
Barrier Removal Strategies							15,000,000
Econ. Dev. Evaluations							1,000,000
Neighborhood Reinvestment Corp.	36,500,000	26,900,000	31,900,000	27,976,000	37,960,000	29,476,000	36,441,600
Neighborhood Development Demo.	(2,000,000)	0	(2,000,000)	0	2,808,000		1,996,800
Title VIII total	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000	3,321,203,200
Title IX—Regulatory and Misc. Programs:							
HUD Research & Development	22,100,000	35,000,000	25,000,000	35,150,000	22,984,000	25,000,000	22,064,640
Fair Housing Initiatives Program (FHIP)	6,300,000	8,000,000	8,000,000	7,600,000	6,552,000	7,600,000	6,289,920
HUD Monitoring & Eval.					(?)		(?)
National Comm. on Manuf. Hsg.					(?)	(1,000,000)	(?)
National Institute of Building Sciences	534,000	0		0	0	0	0
Solar Bank					(?)		(?)
National Amer. Indian Hsg. Council					(?)		(?)
Title IX total	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—HUD McKinney Homeless:							
Emergency Shelter Grants	138,000,000	71,000,000	73,164,000	17,450,000	143,520,000	17,450,000	137,779,200
Supportive Housing/Transitional Program	150,000,000	150,000,000	150,000,000	203,926,000	187,200,000	150,000,000	179,712,000
Supplemental Assistance (SAFAH) Program	30,000,000	0	11,263,000	0	(31,200,000)	0	0
Sec. 8 Assistance for SROs	82,400,000	0	105,000,000	0	89,696,000	103,926,000	86,108,160
Shelter Plus Care Program:							
II. Rental Housing Assistance	167,200,000	167,200,000	0				
III. SRO's	54,200,000	53,333,000	73,333,000				
IV. Sec. 202	37,200,000	37,200,000	37,200,000				
Revised/Consolidated Shelter Plus Care	(258,600,000)	(257,733,000)	(110,533,000)	265,902,000	269,144,000	265,902,000	258,186,240
Rural Homeless Grants					(?)		(?)
Safe Havens				50,000,000	50,000,000	0	48,000,000
Bush Exemplary Program Initiative		57,000,000	0	0			0
Title X total	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration							
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Use of Carryover Funds/Transfers			762,000,000	320,934,190	0	42,934,000	0
Use of Recaptures (Sec. 202/Other)			1,750,000,000	244,300,000	0	244,300,000	0
PHA Savings				12,000,000	0	0	0
Adjusted total	28,327,165,500	24,934,874,618	25,097,700,608	24,472,919,710	30,094,825,164	26,050,364,000	28,910,840,161
HUD Housing Programs (New BA & Without FmHA Rural)	27,135,599,000	24,162,179,000	24,171,415,000	23,825,798,810	28,853,595,740	24,993,803,000	27,719,259,910

<sup>1</sup>Provides the enacted FY 1992 Appropriations Act funding levels without adjustments for subsequent rescissions or HUD operating plan changes.<sup>2</sup>Such sums.<sup>3</sup>10 percent Sub. Hsg.<sup>4</sup>All Sub. Hsg.<sup>5</sup>\$200m. P.H. Mod.<sup>6</sup>9 percent P.H. Mod.

Source: Subcommittee on Housing and Community Development.

□ 1200

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, soon after I was elected to Congress in 1966 I came to Washington to see Gerald R. Ford, who was then the minority leader, to discuss committee assignments. He gave me a listing of committees with a definition of jurisdiction. I made the Committee on Banking, Finance and Urban Affairs my first choice.

Banking was important in Columbus. Little did I imagine that Columbus would go from third to first as the banking center of Ohio and achieve its place as one of the preeminent banking centers of the United States in the next 26 years.

The Committee on Banking, Finance and Urban Affairs had jurisdiction of urban mass transportation then. Financing of urban mass transportation in Columbus was a big issue.

The Committee on Banking, Finance and Urban Affairs also had jurisdiction

over insurance matters then. Columbus has more insurance company home offices than any other city except Hartford, CT. Then I noted the Committee on Banking, Finance and Urban Affairs had jurisdiction over housing. What could be more important than housing—maybe good health, education, and job—but it is right up there in importance to the needs of the American people.

So I chose the Committee on Banking, Finance and Urban Affairs as my



first choice, and I was thrilled when I got my first choice as an assignment.

In 1990, the administration and Congress working together enacted the National Affordable Housing Act, called NAHA, the first major housing authorization bill in almost 20 years.

I have some feeling of paternalism for that legislation. My significant part came about almost by a stroke of luck. President Bush was in Columbus for a speech. I sat beside him at the head table. As an aside he said to me, "Would you like to go back to Washington with me on Air Force One?" I said yes, not because I wanted to be in Washington, because I had a luncheon talk the next day in Columbus, but I said yes because I wanted to talk to him about housing legislation and this seemed like a beautiful opportunity to do that.

I suggested to the President that he arrange a meeting in the Oval Office with Chairman GONZALEZ and Secretary Kemp. I did not need to be there, but I was happy to come, I said.

The next morning the President's secretary called my office to arrange a meeting that day. Well, I was on my way back to Columbus and I thought I had messed up. But the President was understanding and gracious and we met in the Oval Office the following Wednesday. The outline for NAHA was formed.

I know my personal statement sounds presumptuous here, and I do not mean it to sound that way at all. Rather I make these personal references to demonstrate my commitment to trying to enact good housing legislation. I make the same commitment to H.R. 5334.

Every single Republican member of the Committee on Banking, Finance and Urban Affairs signed the minority views accompanying H.R. 5334. These views are printed in the report, so I will not refer to them, but those views express reservations about the bill. Most of the objections, may I say, have been satisfied.

This bill addresses the significant issue of mixed populations in public and assisted housing. This is an important issue that needs to be addressed now. I have received numerous complaints from senior citizens mostly in section 202 projects who are frightened and disturbed by clashes with young mentally or physically disabled people who have different lifestyles.

The gentleman from Wisconsin [Mr. KLECKA], the gentlewoman from New Jersey [Mrs. ROUKEMA], and I all had amendments to correct this, which the chairman helped merge into one and then he supported it. Our amendment simply allows local housing authorities and owners of multifamily assisted housing to provide a preference for low-income elderly, low-income disabled and low-income handicapped. If for no other reason, I think this legislation

ought to be passed today to address this important issue.

Also included in the bill are three out of five initiatives proposed by the administration: Homeownership vouchers and certificates, safe havens for homeless, and a fair housing demonstration program.

We were concerned about the funding level. We were more concerned when H.R. 5334 started at \$36 billion. The gentlewoman from New Jersey [Mrs. ROUKEMA] offered an amendment which passed reducing it to \$30 billion. Chairman GONZALEZ has agreed to accept an amendment which we thought was acceptable to the administration to reduce funding by 4 percent across the board to \$28.9 billion. OMB says that is still too high. It is about \$2 billion over last week's appropriation. I think that funding level has been brought down to a reasonable level.

I agree HOPE ought to be more, but \$411 million is a good start.

FHA reform is an area of major heartburn to the administration. HUD wants to retain the 57-percent closing cost language. We lost that fight in the subcommittee and in the full committee. Half of the Republicans voted for it, and half voted against it. The objectionable provision is also contained in the VA-HUD appropriations bill which passed the House last week.

I think the chairman has done an excellent job in explaining the parameters of this bill. I would like to say it has been a pleasure to work with the gentleman from Texas [Mr. GONZALEZ] on housing legislation. I know good housing legislation is uppermost in the gentleman's mind and has been one of his goals since he has been chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. Chairman, I think it is fair to say that we have worked together here to provide good legislation. This bill is not a bill I would present, but it is a good bill, given the dynamics of the situation.

Maybe the concerns of the administration are not all taken care of, but most of them are, and I mentioned those.

Mr. Chairman, I say pass the bill and keep the process moving.

Mr. Chairman, I reserve the balance of my time.

□ 1210

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR], the distinguished ranking member of the subcommittee.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding time to me.

I want to compliment the gentleman and members of the committee and say a special word about the ranking minority leader, who is a great credit to this body, who is retiring, and a great credit to the State of Ohio.

We are proud of, CHALMERS, and all the good work you have done.

Mr. Chairman, every American deserves safe and decent housing. This is what this bill is all about.

In addition, it provides flexible community development money for our cities, large and small. And a provision related to FHA, which rescinds the regulations related to the 57-percent closing cost mechanism, is very important for first-time home buyers who cannot afford all the closing costs.

I want to thank the chairman for supporting the two amendments that I offered in committee, the support of service and planning provisions related to elderly housing, and the land bank provision that is an imitation of a very successful project in my home town of Cleveland, OH, where we have a cornerstone in the redevelopment of neighborhoods in the city, because basically what we do is we take the foreclosed lands and we convert those lands into productive places where we collect the taxes and we, in addition, build new homes on these vacant and abandoned properties.

It has been very, very successful in Cleveland. There have been 41 projects that have started in the inner city, using foreclosed land. And we now have a \$40 million more tax base because of that provision.

I want to thank the gentleman for letting us have that, and I hope we can imitate that on a national level. I certainly support the bill.

Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. The bill reauthorizes section 8 and public housing assistance; the Home Investment Partnership Program; the Moderate Housing Program; multifamily housing planning and investment strategies; FHA mortgage insurance and the secondary mortgage market; housing for elderly persons, handicapped persons, and persons with disabilities; rural housing; community development; homeless assistance; and regulatory and other programs.

In considering this bill, I think that we have to keep in mind that all Americans are entitled to decent, safe, and affordable housing. But increasingly, first-time home buyers are unable to afford a home, there are longer waiting lists for public housing, and more people are becoming homeless. Additionally, I think we have an added responsibility in passing this bill. As many of our cities and local areas continue to suffer, this bill really serves as an aid and economic development package for our country.

Let me mention a few specific provisions in the bill. I support the provision to rescind the regulations issued by HUD which prohibit buyers from financing more than 57 percent of the closing costs on a FHA-insured mortgage. I believe that HUD exceeded con-

gressional intent in imposing the 57-percent closing cost restriction.

The 57-percent rule increases the amount of cash that first-time home buyers need to close on the purchase of their first home. For those moderate-income, first-time home buyers who do not have the additional cash for closing costs, but who, under the law, would otherwise qualify for FHA mortgage insurance, the rule make them ineligible for FHA insurance. The 57-percent rule hinders and often eliminates the ability of families and individuals in need of FHA mortgage insurance from realizing the American dream of owning their own home.

The bill also contains my amendment that extends the authority for service coordinators to other Federal housing programs. By extending this authority, I intend that supportive service and planning provisions be an integral part of the management of elderly housing facilities. This must be done for the approximately 30 million persons aged 65 and older.

Additionally, the bill includes my amendment to provide for up to 5 percent of the funds for other support for State and local housing strategies to be used as technical assistance to develop land banks. Such a program has set the State to eliminate blight and tax delinquency and create jobs and positive tax growth, thus forming a cornerstone in the redevelopment of the neighborhoods of the city of Cleveland. The first purpose of the local project is to collect delinquent real estate taxes. The second purpose is to strip vacant and abandoned property of its tax delinquency and then place the property into the city's land bank. The result is that the city has been able to assemble large tracts of land in blight areas and to make these properties available to developers for new construction. About 60 percent of the construction has been housing for moderate- and middle-income people.

The land bank solves a problem that all major cities are confronting—particularly urban abandonment. Since the land bank started in 1987, 41 projects have started in the inner city using foreclosed land. The city of Cleveland has been revitalized. Over \$40 million in tax delinquencies, plus debris-ridden lots will be eliminated and new jobs will be generated. The program has been picked as one of 73 semifinalists out of 1,622 candidates for a Ford Foundation innovations in State and local government award. The prosecutors office, county treasurer, Gaul and city of Cleveland deserve much credit for this innovative program.

Again, Mr. Speaker, I urge my colleagues to support H.R. 5334, the Housing and Community Development Act of 1992.

Mr. WYLIE. Mr. Chairman, I yield 6 minutes to the distinguished gentle-

woman from New Jersey [Mrs. ROUKEMA], the ranking minority member of the Subcommittee on Housing and Community Development.

Mrs. ROUKEMA. Mr. Chairman, I rise today as the ranking member of the Housing Subcommittee to express my support for H.R. 5334, the Housing and Community Development Act of 1992.

Mr. Chairman, throughout the entire process of the formulation of this reauthorization legislation there has been a concerted effort to continue to stress the importance of housing issues and to achieve a bill. This legislation is the culmination of efforts begun over 2 years ago when this body first passed the Cranston-Gonzalez National Affordable Housing Act.

As one of the leaders in this effort, I want to congratulate and commend the chairman of the committee, Mr. GONZALEZ, for his total dedication and commitment to housing legislation.

It has been a pleasure working with him. The courtesy he extended to the minority, and especially this Member, and his willingness to hear and accept many of our concerns and initiatives is much appreciated.

I also want to commend the work of the majority staff, especially Frank DeStefano and Ms. Dana Fisher for their willingness to work with the Minority staff in crafting this bill.

Finally, I want to recognize and commend our ranking member, CHALMERS WYLIE, for his strong effort to achieving this bipartisan bill. Unfortunately, our colleague, the gentleman from Ohio, is managing his last housing bill today and I know we will all miss his counsel and his commitment to housing legislation in the years to come.

#### HOUSING BILL

H.R. 5334 represents the first reauthorization of the most significant change in the direction of national housing policy since 1974. These changes were made through the passage of the Cranston-Gonzalez Housing Act 2 years ago.

H.R. 5334 continues the clear direction for national housing policy set 2 years ago.

This Housing Act continues to recognize the need to provide safe, decent, and affordable housing for our less fortunate citizens and continues the commitment of the Federal Government to achieving that goal.

Is this bill perfect? Hardly.

Is it free of controversy? No.

Does it have the support of the administration? Perhaps not at this time. Nevertheless, I believe it is a good bill which does deserve our support.

Although the administration does not support this bill at this time, I wish to highlight my perspectives with respect to some policy issues where differences remain.

First, this Member does not share the belief that H.R. 5334 although I agree

with their judgment on FHA and represents a significant departure from the National Affordable Housing Act passed 2 years ago nor does it represent a major course change.

H.R. 5334 should proceed through the legislative process with the Secretary's concerns noted. Attempts to meet many of those concerns have been made and many have been accepted by the majority. For this, I want to commend the chairman.

Members of the minority side can support this legislation on its merits and in recognition of the programs which have strong Republican support such as the HOME Investment Partnership Program, the CDBG program, McKinney Homeless Assistance, Family Self Sufficiency and increased funding for the elderly and handicapped.

H.R. 5334 includes several positive initiatives requested by the administration and put forward by this Member during our subcommittee and full committee markups.

These initiatives include a proposal to allow individuals who are eligible for section 8 assistance to use their certificates for homeownership.

Another initiative created the Safe Havens Program which would provide assistance for homeless persons unwilling or unable to participate in more structured homeless assistance programs.

The bill also provides opportunities for low-income individuals to move out of areas of high concentrations of persons living in poverty to areas of new opportunities for becoming more economically independent.

Another important change made by this bill is the consolidation of the eligible activities of the permanent housing, transitional housing and SAFAH programs of the McKinney Act into one single program.

Currently, applicants for each of these program funds must engage in a very complex application process which requires them to apply for several different programs, each with a limited amount of funds.

In testimony before our committee, provider flexibility groups such as the National Coalition for the Homeless recommended that these separately funded components of the program be merged into one for the purpose of streamlining the application process and allowing the applicants to develop much more precisely structured programs knowing that their efforts will not be shortchanged by limited funding levels for the various program elements.

The consolidation maintains all eligible activities under the current program, adds a new SRO component as an eligible activity and maintains the same funding levels.

If we are to continue to address the issue of homelessness in this Nation, we must streamline the application



process and stretch each dollar we appropriate to its maximum. This bill accomplishes that goal.

Finally, H.R. 5334 addresses the critically important issue of mixed populations—that is the housing of the handicapped and disabled with the elderly.

I want to commend our colleagues, Mr. WYLIE, Mr. KLECZKA, Mr. DONNELLY, and Mr. FRANK for bringing this issue forward and for working so hard with this Member and others to bring about a reasonable solution.

The overall problem we face even before getting to this specific issue is the fact that there are some 1.5 million low-income individuals on waiting lists for public housing around the Nation. There is neither enough public housing units available nor funds for section 8 certificates.

Unfortunately, the problem of the deinstitutionalization of the mentally ill continues to persist and effect our housing programs. When an individual is released from a State or community mental health facility or a rehabilitation program, they can become eligible for public housing or section 8 assistance.

I have long expressed my disagreement and anger with those States who continue these deinstitutionalization programs. Many of our States and local communities continue to release mentally ill people from their institutions without adequate preparations for the continued shelter and care of these programs.

Unfortunately, HUD has no control over State or local institutions which deal with the mentally ill, the handicapped or those recovering from alcohol or drug addiction and because the Congress has passed several laws aimed at helping the disabled and handicapped by giving them a preference for federally assisted housing a public housing authority is bound to place these individuals in public housing units when a vacancy appears.

Over the years, public housing authorities have found it convenient to place handicapped and disabled individuals into elderly dominated buildings for several reasons which is now beginning to result in a changing environment for our senior citizens.

The legislative remedy in our housing bill represents a fair and balanced approach to this issue as far as housing is concerned.

It is not perfect. By its nature it won't solve all of the problems but it does not provide a positive solution to this problem. More needs to be done, however, before these individuals even get to the point of needing housing.

Other committees of this body must become more insistent that States and local agencies do a better job in the proper planning for the shelter, medical and social welfare of these persons before they are released into an

unexpected society. Fundamentally this is not a housing problem.

In an effort to address the issue, H.R. 5334 permits PHA's and private federally assisted apartment owners to designate entire buildings or portions of buildings as elderly only; handicapped only or mentally ill only.

It permits, for the first time, the PHA's and private apartment owners to skip through their waiting lists to find elderly applicants for units which become vacant. If no elderly person can be found on the list, the PHA's can next offer the unit to the near elderly, that is, those 50 years of age or older.

In return for this, the PHA is required to submit a plan to HUD which would profile the makeup of the PHA's current waiting list; provide an estimate of anticipated vacancies over a 5-year period which would continue to justify the designation of buildings as necessary for the elderly, handicapped and mentally ill; a statement of the amount of public housing new development, section 8 and modernization funds may be necessary to address the profile.

The bill also directs the PHA's to submit requests for section 8 assistance to take care of the needs of the handicapped or mentally ill who would be disadvantaged by the designation of elderly buildings.

It requires a set-aside 5 percent of a PHA's new development and modernization funds for the development and/or modernization of units for the handicapped or mentally ill.

It commits 5 percent of the amounts reserved for major reconstruction of existing facilities for the reconfiguration of units for use by the mentally ill and handicapped.

It permits the PHA's to apply for funds for service coordinators to help find the types of assistance required by the elderly, handicapped and mentally ill.

In addition to these provisions, the bill requires:

Each community receiving HOME funds to include in their comprehensive housing strategy [CHS] a description of the nature and extent of the housing needs of the elderly, handicapped and mentally ill individuals in their jurisdiction and how the community intends to use portions of their HOME allotments to provide housing for these persons.

And, it requires HUD to provide a clearinghouse for information on housing alternatives which may be available to the elderly, handicapped and the disabled.

In sum, this problem should never have occurred and should not be further exacerbated by State and local policies. It is simply not fair to our elderly and is not fair to our handicapped and disabled.

I intend to work with the Health Subcommittee of Energy and Com-

merce to reach a more comprehensive resolution for the grossly neglected mentally ill.

Several additional initiatives were included in H.R. 5334 which should be supported as good Republican family-oriented programs.

For example, the legislation makes several improvements to the Family Self Sufficiency Program, including funds for family investment centers which will help lower income individuals achieve economic independence through employment counseling, job training and education.

The bill also funds one-stop perinatal care demonstration projects, and early childhood development centers to assist families with the care and education of their children.

The bill also provides for a rural homeless assistance program for areas where traditional McKinney programs are not available.

Finally, Mr. Chairman, I want to address just a few additional initiatives.

#### AUTHORIZED FUNDING LEVELS

The authorized funding level of \$28.2 billion in H.R. 5334 represents a responsible compromise from the bill's original price tag of \$36 billion. The funding level represents a modest increase of 4 percent over the appropriated levels agreed to by the Congress for fiscal year 1993 and is the result of an amendment I first offered in full committee and a subsequent one proposed by Mr. WYLIE.

#### HOME

Perhaps the most innovative program to be enacted in NAHA was the HOME investment partnership. The intent of this block grant program was to allow State and local communities to exercise maximum flexibility in developing local housing strategies and to use Federal funds to meet those strategies. This program was well received by the States, cities, and local communities as a positive step to encourage solutions to the problem of providing affordable housing.

Unfortunately, the original committee print greatly underfunded the HOME programs.

Through the efforts of this Member, H.R. 5334 now authorizes the HOME Program at \$2.1 billion.

The HOME Program was designed as a partnership and required that those States and local communities wishing to participate in the program provide an adequate financial commitment to match the Federal contribution. Last year, the Congress over the objections of this Member, voted to provide a blanket waiver of the matching requirement. This year, the match is re-instituted and required.

In changing the current, cumbersome three-tiered match, which discouraged innovation, to a flat match, the committee accepted the recommendations of many of the participants for simplification. And while a flat match is

more efficient, the original 10 percent level included in the committee print was unacceptable. Through compromise, the bill now contains a more acceptable 20 percent flat match.

#### HOPE HOME OWNERSHIP

With respect to funding for the Secretary's Home Ownership Program [HOPE], I have yet to find any Member who does not support the concept of providing home ownership opportunities for our low-income families. The point of departure between many Members and the Secretary of HUD is the financial commitment we should be making to this program as it gets off the ground. In addition, converting scarce public housing rental units into ownership units, while laudable where appropriate, actually reduces the number of rental units in the inventory at a time when there are over 1.5 million applicants on the waiting lists for public housing. We have competing needs. A new program of this magnitude must be phased in—the potential for financial loss exists.

H.R. 5334 authorizes just under \$400 million for HOPE. Given the infancy of this program and the many remaining unanswered questions about its effectiveness, this funding level is more than adequate to support a measured and methodical development of this concept and to achieve the goals of the Secretary.

#### FHA REFORM

The so-called 57 percent allowable closing cost issue for FHA insured mortgages was a rule initiated by the Secretary as a way of lowering the default rate and thus helping rebuild the financial strength of the FHA insurance fund. This rule was promulgated under the additional discretion NAHA gave the Secretary to restore the health of the FHA.

The prohibition on implementing this rule, which is included in H.R. 5334 and the appropriations bill, is, in this Member's belief premature at best. I believe the committee is simply wrong in second guessing the Secretary on this matter. But the interest group pressure has been too much.

In conclusion, the need to reauthorize the very important housing programs in NAHA which benefit the poor, the elderly and the handicapped, and the adoption of several new initiatives, such as the mixed population issue, the consolidation of the McKinney program and others, should far outweigh the omission of the few remaining initiatives supported by the Secretary.

Republicans who argued in support of the Kolbe amendment during the VA-HUD appropriation bill that poor people really do matter, should support this legislation.

Mr. Chairman, the renewed commitment to housing embodied in H.R. 5334 addresses the plight of both the low income renter and the first-time home buyer. This housing bill, while not perfect, is a step in the right direction.

Our problems are formidable. But our task is manageable.

I urge support for this legislation.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, I thank the committee for doing a targeted CDBG in the areas affected by defense closures. That has been very helpful, and I thank them for that.

Mr. Chairman, I rise today in strong support of H.R. 5334, the Housing and Community Development Act, and in particular a provision contained in the bill to assist communities affected by the closure of a military installation or a major reduction in defense contracts.

I would like to commend the House Committee on Banking, Finance and Urban Affairs for providing assistance to communities who must have access to Federal programs to recover from sharp reductions in defense spending or the closure of a military installation. Many of these communities will experience unemployment double or triple the national average. Severe reductions in economic power, population flight, shifts in the housing market, school closures and additional peripheral impacts will be common symptoms of these communities.

The Housing and Community Development Act will amend section 107 of the Community Development Block Grant Program to make eligible nonentitlement local governments to participate in the Special Project Grant Program. As you know, many of the larger local governments and large cities are already able to receive direct Federal aid through their entitlement status. Unfortunately, the smaller communities, where many companies in the defense industry and military installations exist, are not entitlement areas.

The Special Project Grant Program currently is available to areas requiring technical assistance. The bill we are considering would make available special purpose grants to nonentitlement local governments affected by one of three circumstances: First, a proposed or actual closure of a military installation, second, the cancellation or termination of a Department of Defense contract, or third, a major reduction in defense spending that would directly affect local governments and result in the loss of 1,000 or more full-time defense employees.

The communities affected by a future base closure or sharp cuts in defense spending will have to cope with several different challenges within a small economic base. Most communities affected will have few other industries to rely on for future growth. Peripheral industries and services will be affected, with corresponding defense cuts and layoffs. The Community Development Block Grant Program offers the required flexibility to allow individual communities to construct a comprehensive economic recovery plan to mitigate the strong impacts associated with a base closure or reductions in defense spending.

We must allow those communities who will be confronted with these challenges an opportunity to recover. I again would like to urge my

colleagues to support the Housing and Community Development Act.

Mr. SCHUMER. Mr. Chairman, first I would like to thank the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] and their staff, led by Kelsey Meek and others, Frank DeStefano, for the good work that they have done.

Mr. Chairman, we have before us a bill that is a product of long hours of negotiation, many hearings. It is a compromise bill, and we have tried on the Subcommittee on Housing and Community Development, under the leadership of the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE], to come up with compromise proposals.

There are lots of things in here that I wished were not that were in. There are some things that I wanted in that are not in the bill. No one is perfectly happy.

□ 1220

It is very important that we go forward with a bill that will make substantial improvements in our ability to provide Americans with safe, affordable housing.

In my area in New York City it seems we are beginning to get some small handle on some of our urban problems. The crime rate has gone down 6 percent. The economic recession, while we are not moving back up, seems to have bottomed out.

However, the problem of housing seems to get greater and greater and greater. The number of homeless on our streets seems to multiply. The young family looking for a home that they can afford seems to be as out of luck as could be. The number of seniors in my area who have lived in their apartments and now need a new place to live because the landlord is using those apartments for something else seems to grow.

Mr. Chairman, we need to get a handle on housing. If I had one regret, due to no fault of the leadership of the committee, it is that this is not enough. We do need more. Nonetheless, this is a small step on the road to get us back in shape in the housing area.

The bill includes a number of specific provisions which I am grateful were included, and which I thank both sides of the aisle in committee for supporting.

FHA limits for multifamily buildings are increased to a realistic cost limit, so that builders can start to use this program again to construct multifamily buildings in our cities.

The ceiling rent program is made permanent, which prevents public housing rents from skyrocketing for working families, a practice which in the past has driven the most stable families out of public housing in search of more affordable housing.

Furthermore, the bill gives local authorities enhanced flexibility in estab-



lishing local preferences to admit families that will contribute to a socioeconomic mix in public housing.

There are others—too many to mention here—but rarely have I seen a bill move through subcommittee and full committee with so much input from committee members and bipartisan support for their efforts. I want to thank chairman GONZALEZ again, and congratulate Mr. WYLIE on the occasion of his final housing bill. His service to his constituents and in this Congress will be sorely missed.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, this Member would like to take this opportunity to commend the distinguished chairman of the Banking Committee and the Housing Subcommittee, the gentleman from Texas [Mr. GONZALEZ] for his untiring effort on housing programs, the distinguished ranking minority member of the committee [Mr. WYLIE], and the distinguished ranking member of the Housing Subcommittee [Mrs. ROUKEMA] for their efforts to bring this measure to the floor today. Their efforts toward better, more affordable, more accessible, and more cost-effective housing programs are widely known and appreciated. For purposes of legislative history this Member would like to briefly address several items in H.R. 5334 on which I've had some involvement. This Member once again wants to recognize in the year of his retirement the distinguished colleague from Ohio, Mr. WYLIE, for his outstanding contributions in housing legislation, and every area of the Banking Committee's jurisdiction.

Mr. Chairman, H.R. 5334 contains a provision relating to the Farmers Home Section 502 Loan Guarantee Program. This program provides loan guarantees for the purchases of a home by middle income home buyers. Currently, only those potential home buyers whose income is between 80 and 100 percent of median income is between 80 and 100 percent of median area income are eligible for the program. The provision in H.R. 5334 raises that limit to 115 percent of median area income to be comparable with existing law for the HUD program for citizens living in larger communities. Thus, this inequitable treatment of residents in small communities and rural areas would be eliminated. This is a needed and important change, Mr. Chairman. For far too long those middle income home buyers in rural areas have been at a disadvantage compared with their urban counterparts. This provision simply provides some equity for rural citizens. Those earning 115 percent of median income in rural areas certainly are middle income in every sense of the word and should be eligible for this fine program. I commend the chairman of the

Banking Committee, Mr. GONZALEZ, for his assistance in including this provision in H.R. 5334.

Mr. Chairman, this legislation also contains a provision to create a loan guarantee program for our Nation's native families. This program is desperately needed and long overdue. This provision will create a loan guarantee program which will provide a Federal mortgage guarantee for Indian families living on trust lands while protecting the Federal Government by providing adequate liquidation ability for the Federal Government in the event of a default.

As some Members know, the status of trust lands provides that they are not freely alienable, and most lenders are not willing to lend for projects without land to secure the loan. As a result, native families living on trust lands have been effectively shut out of homeownership. This program will provide that the Federal Government will securitize the loan and will make lenders more amenable to lending on Indian lands.

The measure also includes a provision allowing for the Secretary of HUD to liquidate a defaulting account, but placing limits on that liquidation which respect the trust obligations regarding Indian lands. This new provision is the same as section 509(d) in the rural housing provisions of the National Housing Act of 1949.

HUD has expressed some concerns that this new program may duplicate a program already existing under section 248 of the National Housing Act of 1949. However, Mr. Chairman, that program has only been used thus far to secure approximately 12 loans nationwide. It's clear that section 248 is not filling this need. This program will. The secondary market, particularly Fannie Mae, has already expressed interest in this new program.

Mr. Chairman, I hope you and my colleagues will support providing Indian families the same opportunities for home ownership we've provided to other citizens.

Another provision in this measure of great concern to Indian families is the provision allowing Indian housing authorities to opt into the Family Self-Sufficiency Program. Because of the unique and sometimes isolated nature of Indian country, it is not always feasible for Indian housing authorities to establish a Family Self-Sufficiency Program. This fact has wisely been noted by the authorizing committee. However, it is only equitable and just that those Indian housing authorities that do have the supporting facilities and infrastructure to run a Family Self-Sufficiency Program have the option to do so. I commend the committee for including this provision in H.R. 5334.

Mr. Chairman, I am quite pleased to note that H.R. 5334 contains a provision

providing added responsibilities and authority to the administrator of Indian programs within the Department of Housing and Urban Development. This added authority includes oversight of the Indian Community Development Block Grant Program as well as all HUD Indian housing programs. For far too long Indian housing and CDBG programs have been run by separate departments within HUD. The special nature of Indian country makes CDBG funds more vital than nearly anywhere else in the country for the success of any housing program. Much Indian land is very remote and no supporting infrastructure exists at all. By combining housing and CDBG oversight and management into one office we will be placing the expertise and understanding of the interdependency of housing and community development programs in one office. This will facilitate better, faster, and less expensive coordination of Indian programs.

Mr. Chairman, the National American Indian Housing Council has been providing Indian housing authorities with training and technical assistance for some time now. By all accounts they have done a phenomenal job. H.R. 5334 provides \$500,000 for the NAIHC to continue their fine work in both fiscal 1993 and 1994.

You will note, Mr. Chairman, that this is the same amount as the appropriators provided for NAIHC in fiscal 1993.

Finally, Mr. Chairman, there is an amendment to H.R. 5334 which has been accepted in the en bloc leadership amendment which I, along with my colleagues, Mr. RIGGS and Mr. FRANK, offered in response to a report issued by the Department of Housing and Urban Development. That report, known as the NIMBY report or not in my backyard: removing barriers to affordable housing, is an effort to address and respond to the not in my backyard syndrome and the resulting barriers to affordable housing that spring from overregulation.

At issue in the report is whether State and local land use controls, plus rent control and environmental laws, play a role in restricting affordable housing. A further related issue is whether the Federal Government should play a role in eliminating such controls.

One of the chief recommendations of the HUD study was that Congress link Federal housing assistance to regulatory barrier removal in order to provide more affordable housing. This "carrot and stick" proposal would have provided rewards in the form of community development block grant funds to States and localities which removed barriers, and assessed penalties by withholding Federal assistance from those units of government that left barriers in place.

The stick aspect of this approach—the withholding of Federal assistance—

seemed to me and to many others the wrong approach, particularly if the wrong Federal programs are used. Take, for example, the CDBG Program that is a funding source available to communities to use as they see fit. These needs differ from community to community—some using the funds for housing, and others using the funds to improve or build new infrastructure projects as so many of our smaller communities have done. Withholding CDBG funds from communities that are found to have regulatory barriers ignores the specific needs of a community. In some communities, infrastructure apparently is a more important priority than housing. Housing must be supported, of course, with adequate infrastructure. Withholding CDBG funds does nothing to improve housing conditions. Furthermore, because communities housing and infrastructure needs vary so widely, it seems unwise for the Federal Government to determine what is an unacceptable barrier and what is not.

The amendment Mr. FRANK, Mr. RIGGS, and I offered, and which was included in the leadership en bloc amendment, provides a more acceptable answer. It is all carrot and no stick. It rewards communities that remove barriers, but does not penalize communities for the existence of what HUD may perceive as barriers, which may in fact be legitimate regulations needed by the community, thereby exacerbating a housing shortage and quite possibly causing a decrease in quality of the infrastructure supporting the housing that is available.

The amendment's bipartisan support is demonstrated by the participation of myself, Mr. RIGGS, and Mr. FRANK in offering the amendment, and its inclusion in the leadership amendment. Also, the Department of Housing and Urban Development has signaled its support for the amendment.

While some aspects of the NIMBY report may remain controversial, this amendment effectively deals with at least some of the goals of that report in a constructive, bipartisan manner.

Mr. Chairman, I thank you for the opportunity to discuss these important provisions of H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, today the House has the opportunity to vote in support of a measure that, if enacted, will improve the quality of life for millions of Americans who reside in public and federally assisted housing projects. I rise to express both my support of this measure and my thanks to Chairman GONZALEZ for his hard work and continued commitment to addressing critical housing needs.

Today, we face a severe shortage of low-income housing. This bill addresses the problem through renewed attempts

not only to rehabilitate old housing, but to increase construction of new housing. Furthermore, this measure authorizes funding to provide low-cost mortgage financing and downpayment assistance to a growing number of Americans who wish to purchase homes, but cannot afford to. It provides \$30.1 billion for essential housing and community development programs, including \$3.4 billion for the Community Development Block Grant Program.

But aside from offering creative ways for low-income Americans to obtain housing, this bill includes many provisions that will make life more livable for those who already reside in Government-funding housing.

Embodied in this legislation is compromise language which hopefully resolves a problem that has plagued our elderly public housing. For years now we have been mixing disabled and chronically mentally ill with our elderly.

Clearly, this has not worked out for the lifestyles of these groups are often incompatible.

In communities facing a rapid rise in deinstitutionalizations, elderly housing has become a convenient designated home for all those who have nowhere else to go. Managers of these facilities report assaults, vandalism, and a growing number of bitter disputes among residents. These problems have been particularly acute in my hometown of Milwaukee, where elderly residents often live in fear, and the disabled do not get the help they need.

Many Members have approached me citing their local horror stories and asking help in seeking a resolution. Mr. DONNELLY and I each introduced separate bills on this matter.

When the committee started crafting this Housing and Community Development Act, all parties concerned, with the help and encouragement of Chairman GONZALEZ, met to develop a compromise.

I would like to extend my thanks to Representatives CARPER, DONNELLY, FRANK, GREEN, ROUKEMA, VENTO, and WYLIE, in addition to the Housing Subcommittee staff, for their hard work and commitment during this effort.

Our final proposition strikes an equitable balance between the rights of both elderly and disabled, and in addition provides social services that will meet the needs of each group.

The provisions of the compromise would:

Allow public housing authorities to designate housing for elderly, disabled, or handicapped only.

Require public housing authorities to submit a HUD-approved allocation plan, devised after an extensive review of current housing stock, composition of waiting lists, vacancies, and vacancy trends, that will outline how the project will meet the needs of each group.

Allow managers of federally assisted housing to establish a preference for elderly residents.

Require these managers to retain 10 percent of units for the disabled—or the lesser percentage of units occupied by the disabled at the time of enactment or January 1.

Extend assistance of service coordinators in public and federally assisted housing to disabled, as well as to elderly residents.

I am proud to have played a part in hopefully resolving this critical problem. These changes are fair and sensible to our elderly and disabled citizens.

This and the major housing and community development aspects of H.R. 5334 clearly deserve our support.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise to enter a colloquy with my colleague, the gentleman from Wisconsin [Mr. KLECZKA]. He and I have worked on this very vexing problem. I think we are treating all parties here, the elderly and the mentally ill and disabled, unfairly.

I made reference in my statement to going to the other committees of jurisdiction. Really, this is a health issue that should not be foisted on Federal housing policy.

I would like to ask the gentleman from Wisconsin if we could work together with the Committee on Energy and Commerce and the Committee on Ways and Means in trying to effect a resolution of the outstanding issues, because we in the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs cannot do this alone. We in housing legislation need their help.

□ 1230

These unfortunate people are being put out on the street with improper health care and no housing.

Mr. KLECZKA. Let me indicate to the gentleman that I pledge my efforts to work with the gentleman from New Jersey and others on the committee, and know full well, as I indicated in my statement, that it is convenient just to dump these people off. I fully support taking individuals out of institutions where the cost of care is very, very expensive and putting them into public housing, but follow up with some services. And that is what is really lacking today. I thank the gentleman for her help.

Mrs. ROUKEMA. We are in agreement on the merits of deinstitutionalization however, dumping these patients into public housing has no place in a civilized contemporary society, and I look forward to working with the gentleman.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. RIGGS].



Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding me the time. I too would like to pay tribute to the gentleman from Ohio [Mr. WYLIE], the ranking member of the Committee on Banking, Finance and Urban Affairs. He has been particularly considerate and accommodating to this new Member of Congress, and I thank him for those considerations.

As a member of the authorizing committee, I join with my colleagues on the other side of the aisle in expressing some ambivalence about the bill, but qualified support for its passage, because while the bill may be imperfect, it is the product of a bipartisan compromise, and it does continue us in the right direction. It is also premised on the belief that safe, decent housing is a basic human right, and it is a basic right of all Americans. And furthermore, it continues some successful approaches that have evolved out of the National Affordable Housing Act authorized by Congress 2 years ago. One that particularly excites me is the idea of taking a holistic approach to helping the homeless become productive, contributing members of society again.

But I would like to focus for just a moment on the amendments that I have in the bill that have been graciously accepted by the chairman as part of his leadership en bloc amendment. One is an outgrowth of Secretary Kemp's housing commission on the removal of regulatory barriers to affordable housing. Our NIMBY amendment, as it is called, that I offered in both subcommittee and full committee, and joining with me is the gentleman from Massachusetts [Mr. FRANK] in offering it in the context of this bill, would create a set-aside with \$15 million in community development bloc grant funds to help States and localities, local units of government develop strategies for the removal of regulatory barriers to affordable housing. That is a particularly acute problem in my home State of California, and I strongly support this legislation as someone whose congressional district contains 2 of the 10 most expensive and least affordable housing markets in the country.

The other amendment, having been accepted into the leadership en bloc amendment that I believe is a very positive step in the right direction, albeit a very small starting step, is the idea of public housing perestroika, allowing tenant management in the most distressed public housing agencies in America today. I do believe in using this bill as a starting point, as a base. We do need to go further, and we need to look at full perestroika that would also permit tenant ownership in those distressed public housing agencies. And I am particularly referring to the Philadelphia public housing agency which was recently seized by the Federal Government, and the District of Columbia public housing agency here

in Washington which has been beset by problems pertaining to mismanagement and fraud. In fact, those problems have been illuminated by another committee of this Congress. The gentleman from California [Mr. LANTOS] in his Government Operations Committee has focused on the systemic fraud problems in the District of Columbia Public Housing Authority.

So I encourage us to go further, again using this bill as a starting point. And I commend this bill to my colleagues for their support.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I rise in very strong support of H.R. 5334. Two years ago the Cranston-Gonzalez National Affordable Housing Act began to reverse a decade of neglect and retrenchment, and reasserted this Government's duty to ensure that every American has a decent place to live. And I think the gentleman from Ohio [Mr. WYLIE] and the gentleman from Texas [Mr. GONZALEZ] ought to take great pride in their attempts to stand up for the poor and the working people of this country, and standing up for the housing needs of those people.

The fact is that as we look around our country today, despite the efforts that are going to be made in this bill, there is still an enormous amount of homelessness that exists in this country. There is an enormous amount of working people and poor people that pay extraordinary amounts of their own personal income to try to put a roof over their heads and put a roof over their children's heads. They pay 30 percent, 40 percent, 50 percent, and even 60 percent, and 70 percent of their income to simply provide for decent and affordable housing.

Yet, we have seen in this Government over the course of the last decade a real abandonment in the housing needs of the working people and the poor people of this country. In 1980 this country spent something on the order of \$30 billion building affordable housing, building over 300,000 units of housing. Yet in just this past year we are going to be calling in this bill as we know to spend \$30 billion, but the reality is that \$4 billion or \$5 billion of that is going to be spent on FHA programs that would not have been spent in 1980, and we see billions of dollars more that have been eaten up through the process of inflation. So when it comes down to how many housing units we actually build to house the needy people of this country, we see it drop substantially.

We also see the fact that we hear a lot of politicians stand up before the American people today and make a great plea that we provide home ownership to the poorest and the most vulnerable citizens of this country, and certainly home ownership is an issue

that everybody in their right mind is going to be in favor of. But it has to be done responsibly. It has to be done with a sense of what is really needed by these ordinary people if they are going to be able to maintain those homes and they still do not have good jobs.

Mr. Chairman, I also want to thank the chairman for the effort that he has made in putting into this bill the home built programs which I have done with my good friend, MAXINE WATERS, from the great State of California that will provide the young people of our inner cities with the opportunity to learn a skill, go to high school and at the same time build affordable housing in this Nation.

I also want to thank him for the efforts he has made in standing up for community-based organizations' and the nonprofits' abilities to continue to build affordable housing, and the requirement that we make sure that most of the people that serve on those boards of directors come from the local communities and have a great interest in the building of that affordable housing. I want to thank him for the efforts he has made on the plans of action in terms of those individuals who would be thrown out of their homes had you not successfully renegotiated the contracts that had come due by expiring over the course of the last year. So I want to thank the chairman for his efforts.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in guarded support of this legislation. Last week during the debate on the HUD-VA appropriation I expressed my concern about the inadequacy of funding for the HOPE and the HOME programs. The same is true here today in this authorization bill. The amount is totally inadequate, less than half of what is currently authorized. Still, it is much better than it started out, which was at zero. At least it has been authorized at \$411 million, and that is something over the amount we appropriated in the bill on the floor last week.

I am also pleased that there is a reduction in the amount of the total authorization from \$36 billion to \$28 billion. But what is most important in this bill is the fact that the FHA provisions in this legislation are similar or almost identical to what we passed in the appropriation bill last week.

Most important for communities, like my own, would be the increase in the limit for FHA financing to 75 percent, conforming to Freddie Mac. That would increase the loan limit to \$151,000. And that, in turn, will make FHA loans available to more purchasers than currently are eligible.

□ 1240

Much work needs to be done on this bill before it can be acceptable, but I

would urge us to keep this process moving. We should vote to recommit to increase HOPE, but also vote "yes" on final passage.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, let me begin by commending my chairman, the gentleman from Texas [Mr. GONZALEZ], with whom I have served for the last 5½ years on the Subcommittee on Housing and Community Development.

We have a great deal of concern as we consider where we are as a nation and priorities that have been set in the area of housing. The gentleman from Ohio [Mr. WYLIE], the gentlewoman from New Jersey [Mrs. ROUKEMA], and others who have worked together to put this bill in place certainly deserve commendation.

I would hope that all of us will support H.R. 5334, because it gives us an opportunity to reprioritize a major area of concern in America. There are so many people who dream about the possibility of home ownership. It is not a possibility for them because of circumstances over which they have no control.

We begin the process today of moving in another direction. We say to the people of this Nation, "We share your dream. We share your desire to be a full participant in trying to stabilize communities, to live in homes where there is necessary assistance that gives you an opportunity for home ownership."

This bill addresses a spectrum of housing needs, those persons who are homeless, those persons who depend upon public assistance housing, those persons who wish to buy a home but cannot find the financing for it.

I am happy there has been a solution and a compromise that has been worked out between the parties, because I think housing is one area where we really do not need partisanship. We need to understand that when our people are not housed, it is our people who suffer, and when they suffer, we begin as a nation to suffer as well.

Let me just commend the inclusion of the New Towns Program which will help to revitalize not only Los Angeles but represents for us a possibility and a model for the revitalization for so many of our communities in this Nation. The stabilization of communities is dependent upon home ownership and upon the citizens who are able to stay in a community.

Revitalization helps in the process of assuring that those persons who are part of the fabric of America know that they have been included. They are not excluded from this new concept of a world order, but they understand that the Nation is concerned that they have a place, that they have a permanent place, that it is their place, that they

have some ownership in that place, and I think that helps to make us a stronger nation.

Mr. Chairman, I would like to take this opportunity to thank the leadership for bringing this crucial bill to the floor in such a timely manner. I also thank Chairman GONZALEZ for his consistent hard work in assuring that the bill honestly attempts to adequately meet the multitude of housing needs in America. I believe enactment of this housing bill is the first step in redetermining our national priorities. It is clearly time that housing be recognized as a fundamental necessity in this Nation.

This bill addresses a spectrum of housing needs—from those who are homeless, to those who depend on public assisted housing, to those who wish to buy a home but cannot finance it. The committee worked very hard to compromise and balance all of these needs and it is commendable that they were able to do so.

Finally, I would like to commend the inclusion of the New Towns Program to revitalize sections of Los Angeles affected by the recent riots. This measure has served as a driving force in this year's housing bill. Undoubtedly, the Los Angeles riots served as a wake up call to this Nation as to the failing and ailing condition of life for so many Americans. We must meet the staggering demand for permanent shelter and affordable housing opportunities. We must compensate for years of the administrations' neglect in the housing area. The tragedy in Los Angeles has proven the incapable result of such neglect.

I urge my colleagues to vote in support of this bill and begin to address the real priorities of this Nation.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. GONZALEZ], in order to enter into a colloquy that he would like me to enter into.

Mr. GONZALEZ. I believe that with reference to Farmers Home Administration regulations, it is my understanding that the FmHA has recently issued proposed regulations to address the issues of cost containment and vulnerability in the section 515 rural rental housing program. Further, I understand that there are several provisions in those regulations which may severely hamstring the effectiveness of the program, and may contravene congressional intent while not addressing the problems of costs and profits which they are intended to address. Two such provisions include limiting the number of preapplications for assistance to five that any one housing sponsor may file nationwide, and excluding from the mortgage any appraised land value that exceeds 3 percent of the total development cost. The first requirement essentially discourages those owners and developers with the best track records, as only one application in four typically is funded. The second limitation effectively raises the required equity contribution above the statutory requirement of 3 percent which we expressly do not change in H.R. 5334.

I had intended to offer an amendment to disapprove these regulations, as I

believe that the regulations will harm all borrowers, and also contravene congressional intent, and not simply the offending borrowers. But I have agreed to withdraw it in order to give FmHA time to respond in a final regulation to public and critical comments which I am certain will be forthcoming from all quarters. It is my intention to let FmHA know of my many concerns with the proposed regulations, and it is my understanding that the gentleman from Ohio will join me in that comment letter.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I am happy to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the chairman is correct. I have indicated a willingness to him and to his staff members that I will join in providing critical comments to Farmers Home on the proposed section 515 regulation, and I want to thank the chairman for withdrawing his amendment.

I felt the amendment may be broader and more restrictive than necessary to address the issues of cost containment and vulnerability, and I believe the Farmers Home will honor our comments and is not interested in stifling future rental housing development.

I appreciate the fact that the chairman did withdraw his amendment today and thank him for the opportunity to engage in this colloquy to clarify the intent of the Farmers Home regulations on section 515.

Mr. GONZALEZ. Mr. Chairman, let me say that the gentleman is absolutely correct, and as always in these instances, his reasoning certainly prevailed over our judgment. I, for one, have always been very reluctant to offer statutory language to something that is properly in the administrative rule and regulation promulgation domain. I just hate to do it. And the gentleman from Ohio [Mr. WYLIE] very wisely pointed out the options I have just described. I want to thank him.

Mr. WYLIE. I thank the gentleman.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, there are a number of reasons to vote for this bill. It comes to the floor with strong bipartisan support in an election year on an issue that can be this contentious. For a housing bill to enjoy the strong support of the Democrat and Republican side, I think, is remarkable, and certainly to the credit of the chairman, as well as the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentleman from Ohio [Mr. WYLIE], and our respective staffs. I commend each of you.

This legislation also reflects the budget realities under which we operate. The expenditures it authorizes are prudent and reasonable.



In addition, this bill contains a number of provisions which are important to the people of my State and to low-income individuals across the country. First, the bill contains a comprehensive and compromise solution to the complex problem of mixed populations of elderly and nonelderly disabled residents living together in federally assisted housing. This issue has received considerable attention in my State of Delaware, and I was pleased to be able to work with Mr. KLECZKA, Mr. FRANK, Mr. GONZALEZ, Mrs. ROUKEMA, and other members of the Banking Committee to design this solution. The importance of this solution is that it addresses the needs of both the elderly and the young disabled—it provides for separate facilities for the elderly, while including numerous provisions to increase the availability of housing for the disabled.

The bill also reauthorizes two programs which Representative KAPTUR and I helped develop in the 1990 National Affordable Housing Act—family self-sufficiency and family investment centers. These two programs will help to bring social services to public housing and section 8 tenants to help them achieve economic independence. In addition, several changes were made to family self-sufficiency to make it more workable at the local level.

Finally, this bill also contains two amendments which I offered—one to ensure that the HOME Program can be used to help poor renters receive security deposit assistance—and a second to ensure that a housing authority in my State can implement an innovative public housing home ownership program and still receive operating subsidies. I thank the chairman and his staff for their assistance in including these provisions.

On a separate note, Representative BARNARD of Georgia had hoped to be here today to engage in a colloquy with Chairman GONZALEZ. On Representative BARNARD's absence, I am pleased to be able to raise an important issue.

As long as the Community Reinvestment Act is on the books, we should try to make it work for things that are desperately needed in our communities such as efforts in education. Does the chairman agree that banks should get credit in their CRA evaluations when they make loans or monetary contributions to finance facilities such as literacy centers, adult education centers, and efforts to prevent school dropouts?

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. I agree with the gentleman's belief that credit or financial support extended for needed educational facilities such as literacy centers or dropout prevention should be considered by the examiners. In fact, it is my understanding that such credit

extensions are currently considered in CRA evaluations. Such loans should be evaluated as the examiners look at banks' contribution to community development projects—an area covered in the current assessment factors of the regulations adopted by the supervisory agencies. As part of their CRA responsibilities, bank should take advantage of opportunities to finance needed and legitimate educational projects in their communities, particularly in low and moderate income neighborhoods.

Mr. CARPER. I thank the chairman for sharing with us his valuable perspective with which I heartily agree.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act, and, in particular to express my appreciation to Chairman HENRY GONZALEZ, Congresswoman CHALMERS WYLIE, Congresswoman MARGE ROUKEMA, and Congresswoman MAXINE WATERS, who were leaders in incorporating within H.R. 5334, the Women in Homebuilding Act, which I introduced with my colleague, Congresswoman MARCY KAPTUR. This legislation will provide money to recruit and train low and moderate-income women for construction jobs in their own neighborhoods working on public housing projects.

This legislation is important for its contribution in providing women with avenues to high-wage occupations. It is particularly significant because it targets those women who most need assistance and puts them to work in their own communities. It is also helping to rebuild our aging housing stock while providing them with skills in nontraditional employment.

The majority of working women in this country are concentrated in low-paying jobs, often referred to as the "pink collar ghetto." This provision of H.R. 5334 will reach women living in low and moderate income housing areas and provide them with training and resources to secure work in high-wage construction occupations. At the same time, businesses will receive assistance in creating a nondiscriminatory, highly productive work environment in which not only women, but all employees, can prosper.

Women who are afforded the opportunity to earn adequate wages in male-dominated occupations will be productive contributors to the workplace. Women who have a hand in rebuilding and reshaping their own distressed neighborhoods will be highly motivated to achieve self-sufficiency and success. It is a fact that, by the year 2000, the majority of new entrants into the work force will be women and minorities. Without a doubt, this legislation will provide this country with well-trained laborers which, in turn, will help the United States meet the challenges of the future.

I urge my colleagues to support H.R. 5334.

□ 1250

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. First of all, Mr. Chairman, I want to acknowledge the gentleman from Texas [Mr. GONZALEZ] and the gentleman from Ohio [Mr. WYLIE] for the marvelous effort they have made on behalf of what is a critical component of urban life.

Most importantly, I want to speak with some knowledge, having been a former mayor of a large community.

Mr. Chairman, I rise to express my support for this important housing authorization bill. I would like to commend Chairman GONZALEZ, Mr. WYLIE, the ranking member of the Housing Subcommittee, and all my colleagues on the subcommittee and the full committee. We have had some very valuable debates in committee on this measure and I am happy that the final version includes language that addresses so many pressing concerns in housing. Let me just address a few of particular concern to me:

The Community Development Block Grant Program is funded at a level of \$3.4 million. This is a key program for communities in my district and across the Northeast. We have been suffering through a deeper recession than other parts of America and our mayors and community leaders look to the CDBG Program for assistance each year. These are Federal dollars well spent and I continue to give this program my strongest support.

The McKinney homeless provisions are funded to a level of \$735 million. This will give communities a resource as they continue to work to get people off the streets and into decent housing.

This bill provides \$2.2 billion for the Home Investments Partnership Program. This will provide grants for cities and States to get people into decent housing. We have lost thousands of affordable housing units in this country since 1980. While this bill can't do the entire job of getting our housing stock back to a stable level, it is an important start. There are 1½ million families on waiting lists for affordable housing in this Nation. We must begin to reduce that shameful total—this bill takes an important first step.

Mr. Chairman, I urge my colleagues to support H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I rise today in support of H.R. 5334, a very urgently needed housing reauthorization bill.

I want to commend the distinguished chairman—Chairman GONZALEZ—for his leadership and wisdom in moving this bill forward.

I would also like to personally thank Chairman GONZALEZ for being extremely responsive to proposals and concerns which I brought before the Banking Committee during this process.

His leadership on these issues was especially important in the wake of the rebellion in Los Angeles less than 4 months ago.

With Chairman GONZALEZ's cooperation, I was able to include several important programs in this legislation.

Representative KENNEDY and I worked to incorporate a provision to federally authorize YouthBuild, a highly regarded and successful low-income housing rehabilitation program that employs disadvantaged youth.

The bill also includes a community demonstration project that will expand housing in areas affected by the L.A. disturbances.

We have included an expansion of the Moving to Opportunity Program to help those who have had trouble with the law move into more supportive living environments.

We have expanded the Family Investment Centers, the Early Childhood Development Services, and the Family Unification Program, all of which provide critical services for children and families living in public housing.

We have clarified the HOPE Program to ensure that it will not lead to a reduction in affordable rental housing.

Finally, Representative TORRES and I worked to have included in the bill a one-time lifting of the 15-percent cap on public services funding under the CDBG Program for Los Angeles.

Three short months ago Los Angeles exploded in anger. To date, the Federal Government has done next to nothing to address the roots of that disturbance.

The bill before us provides the starting point needed to change the living conditions inside our inner cities.

If fully funded, this bill will go a long way toward creating jobs, rehabilitating old and indecent housing, and expanding the stock of affordable housing.

The key then, Mr. Chairman, is to not only pass this important legislation, but to fully fund the programs it authorizes and expands.

We can do no less to adequately respond to the urban crisis we face.

Mr. WYLIE. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, the statement of administration policy which we received yesterday at the Rules Committee states:

If H.R. 5334 were presented to the President in its current form, his senior advisors would recommend a veto.

I would say that the statement came to me at the last hour and I had not had an opportunity to see it until after we had appeared in the Rules Committee yesterday and supported a rule like the one before us today.

Obviously, from the administration's perspective, this is not a perfect bill. During subcommittee markup and full committee markup, I and many other Members on this side of the aisle indicated that this was not a perfect bill, and we tried to advance the cause pressed by the administration; however, after working with the chairman over the last couple of days and just in advance of this statement of administration policy, we got together on some amendments made in order under the rule which go a long way in addressing the concerns expressed in this statement of policy.

The administration's statement highlighted at least eight points: Inadequate HOPE funding, and we agree with that, but we got \$411 million and that is more than was in the bill when it first started.

They objected to a reversal of some of the reforms made to FHA in the 1990 housing bill. I addressed that a little earlier. The provision with regard to the 57-percent restriction on closing cost in our bill is the same as the one passed in the HUD-VA appropriations bill last week.

An increase in the FHA mortgage limits. Again, the increase here is the same as was in the HUD-VA bill passed by the House last week.

The HOME match issue; we tried to address that issue. We compromised on a flat 20-percent match, up from the reported bill of 10 percent.

Elimination of the review of the subsidy layering as required by the HUD Reform Act; that will be addressed in conference. I know the chairman is prepared to consider the administration's suggestion.

Reduction of targeting requirements in the Public Housing Program; we have addressed that in a realistic way.

Restrictions on housing choices for very-low-income tenants who want to become homeowners; we made the modifications their way.

Aggregate funding levels is way down, as I indicated a little earlier, down from \$36 billion to \$28 billion.

So, Mr. Chairman, with the exception of the HOPE funding and the FHA issues which this body debated just last week in the HUD-VA appropriations bill, I am convinced that we have addressed in some way the other concerns of the administration in whole or in part in the en bloc amendments, which will be offered a little later on and which I predict will be overwhelmingly passed.

So I believe that the bill before us today, with the en bloc amendments, is a good bill. I am confident that it will pass and that it will keep the process moving. If the administration has some concern after we act today, we will try to get together in conference on those concerns, but I urge adoption of the bill before us, Mr. Chairman.

Mr. Chairman, I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. COX], a member of the committee and of the subcommittee, and a very effective one.

Mr. COX of Illinois. Mr. Chairman, I would like to begin by saying that as a new Member of the House and a member of the committee, I have come to really respect the gentleman from Ohio [Mr. WYLIE]. I just want him to know that his presence will be missed here.

Mr. Chairman, I rise today to express my strong support for the Housing and Community Development Act of 1992. I believe that our cities have suffered deeply over the past decade, and many American communities are sorely in need of housing and community development assistance.

The bill includes several measures to expand the national supply of affordable housing. For example, it makes the FHA program more accessible to low- and moderate-income families, and it makes the Federal HOME Program easier for cities to utilize. In addition, the funding level of almost \$2.2 billion for the HOME Program reaffirms Congress' commitment to this public-private partnership designed to leverage limited Federal housing resources.

Further, this bill addresses the countless problems that housing authorities in Illinois have had with elderly and nonelderly disabled residents living in the same housing developments. This bill will bring relief to the behavioral problems of these mixed populations by providing service coordinators to serve the different populations, improving the screening process, and improving security, management training, crisis intervention, and substance abuse elimination.

I commend the chairman and my colleagues on the Banking Committee for their work in crafting this bill. I hope that it will receive overwhelming support.

□ 1300

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 5334, and I would like to express my appreciation for the inclusion of the YouthBuild provision.

Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992.

I want to thank Chairman GONZALEZ, Representatives WATERS and KENNEDY and other members of the committee for incorporating in H.R. 5334 the provisions of legislation I introduced (H.R. 501) to authorize assistance to YouthBuild job training and housing development programs. YouthBuild is an exciting, national grassroots initiative which creatively addresses the twin crises of youth unemployment and homelessness in poor communities throughout the United States.



Section 165 of H.R. 5334 would authorize assistance to support YouthBuild projects which provide disadvantaged youth with education, skills training, and job experience in the construction or rehabilitation of housing for homeless and other low-income people.

At least 75 percent of the participants in each YouthBuild project must be economically disadvantaged high school dropouts between the ages of 16 and 24—persons who are frequently unserved by other job training programs and who are among those with the greatest difficulties in the job market. The remaining 25 percent of participants could be other young people who are not disadvantaged or who are high school graduates who have educational needs despite their attainment of a degree. This is an option and not a requirement; programs could, if they chose, elect to serve only economically disadvantaged youth. Every program would also have to undertake special recruitment activities to attract the participation of young women, ex-offenders, foster care youth, and youth who are homeless.

YouthBuild participants spend half their time in academic remediation, GED classes, and other educational programs. The rest of their time is spent on the construction site, working at minimum wage and learning marketable job skill. Upon its completion, the housing YouthBuild participants help to build would be reserved permanently for homeless and low-income families at affordable rents. Upon their graduation, YouthBuild participants go on to obtain jobs which pay between \$8 and \$19 an hour in carpentry, electrical work, plumbing, painting, and other areas of construction. Some YouthBuild graduates have even gone on to establish their own construction companies.

YouthBuild graduates also leave the program with a new and enduring sense of empowerment. A key highlight of the program's design is its emphasis on developing the leadership skills of participants by providing them with opportunities to participate in decisionmaking about the project's operation and through other means. The program recognizes that disadvantaged young people want to contribute to improving the well-being of the communities and seeks to give them the education, job training, and leadership skills they need to maximize their contributions. YouthBuild understands that low-income youth are an untapped resource, not a disease which must be treated or contained.

The innovative model upon which YouthBuild is based has proven successful wherever it has been tried. It has been carefully developed in east Harlem by the Youth Action Program since 1978. The Banana Kelly Community Improvement Association has successfully replicated it in the south Bronx since 1984. Public/Private Ventures has implemented the model in 12 cities. In all since 1985, YouthBuild programs in 8 cities have prepared over 1,000 young men and women for careers in construction and rehabilitated dozens of buildings in low-income communities.

YouthBuild programs are now being developed and put in operation by community groups in San Francisco, Cleveland, Boston, Tallahassee, St. Louis, Pittsburgh, Indianap-

olis, Milwaukee, Atlantic City, and Gary, but they are struggling without an adequate and stable source of funding. They report that they must turn away 7 to 10 times as many young people as they are able to serve. Another 140 organizations in communities throughout the United States are seeking to replicate the YouthBuild model, but have been unable to secure the necessary funding.

The YouthBuild program has proven to be particularly attractive to and beneficial for young minority males and comprises an important part of the response we must make to the terrible crisis facing these young people. The average earnings of all young men have fallen since the early 1970's, but the earnings losses of young African-American and Hispanic men have been particularly severe. The average annual earnings of young African-American men fell by 36.7 percent between 1973 and 1987. Young Hispanic men lost 26.7 percent and young white men lost 21.5 percent. African-American male dropouts have been hardest hit by changes in the economy. In 1987, young African-American male dropouts earned an average of only \$2,986, compared to \$8,496 in 1973—a drop of 64.8 percent. This is twice the size of earnings losses experienced by white and Hispanic male dropouts.

A devastatingly high proportion of young African-American and Hispanic men are in prison, in jail, or on probation or parole. In 1989, nearly one in four young African-American men between the ages of 20 and 29 were under the control of the criminal justice system—either in prison, in jail, or on parole—on any given day. The proportion was 1 to 10 for young Hispanic men and 1 in 16 for young white men. Young African-American and Hispanic men are also disproportionately the victims of violent crimes. For example, African-American men are seven times more likely to die from homicide than their white peers.

Despite the magnitude of this crisis, precious little is being done at the Federal, State, and local levels to arrest and reverse this horrible waste of human potential. There are few programs available to meet the needs of young men in the inner city. As the founder of YouthBuild, Dorothy Stoneman, put it in testimony before the Education and Labor Committee, "the only active recruitment of low-income minority men is for them to become drug dealers." By providing support for the replication of the YouthBuild model in communities across the Nation, H.R. 5334 will help to remedy this paucity of meaningful alternatives for young minority males. During its consideration of YouthBuild legislation, the House Education and Labor Committee heard testimony from Mr. Ventura Santiago, a YouthBuild graduate from east Harlem who obtained his GED through the program and learned construction skills which helped him to obtain a good job paying over \$23 per hour. Mr. Santiago spoke eloquently about what YouthBuild meant for him and what it could mean to other young people:

It's not easy growing up in East Harlem. Especially nowadays everybody thinks everybody is on crack or selling drugs or something. A lot of young guys are dropping out at early ages. It's just a shame. Most of them drop out because they really don't have anything to do. You've got to give people some-

thing to look forward to, like this training, something to look forward to that they could use in the future. If it wasn't for this training, I don't know where I'd be today. I really don't.

Through YouthBuild, H.R. 5334 will provide many more opportunities for young men like Mr. Santiago. I urge my colleagues to support section 165 of the legislation and its many other important provisions.

Mr. GONZALEZ. Mr. Chairman, let me say that the gentleman from New York [Mr. OWENS] did add a very constructive proviso to the bill.

Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I thank the chairman for yielding to me.

Mr. Chairman, thank you for the Banking Committee's concern for non-traditional lending, recently demonstrated at the subcommittee hearing on nontraditional lenders in late July. I want to bring to the attention of the full body the importance of one type of lender showcased at that hearing: the community development credit union. The more than 400 community development credit unions nationwide offer much needed capital to persons and growing businesses in the low-income neighborhoods where they are based. But these institutions still need adequate technical assistance, organizing and operating funds, and loan guarantees. I would greatly appreciate the committee's continued exploration of how we can best be of help to community development credit unions.

Mr. GONZALEZ. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the chairman.

Mr. GONZALEZ. I thank the gentlewoman for yielding.

Mr. Chairman, let me say that I agree that community development credit unions play an important role in meeting the credit needs of low-income persons and businesses in neighborhoods where those needs are rarely met. I will be pleased to work with you on how the Congress can support these special nontraditional lenders.

As the gentlewoman knows, we have other lending institutions, but we will be working together.

Ms. KAPTUR. I thank the chairman.

I also offer my strong support for H.R. 5334. This bill includes a provision that authorizes for the first time an innovative way of helping women in low- and moderate-income neighborhoods to become self-sufficient, namely by becoming apprentices and then journeywomen.

I urge your support for this provision and for the bill in general.

Specifically, the provision authorizes funds for community-based organizations to help women living in low- and moderate-income neighborhoods to secure jobs and paid apprenticeships with construction companies working on properties there. The money will be

used to recruit women from the neighborhoods, to prepare them for construction work by providing or accessing pre-apprenticeship and apprenticeship training, to create workable environments for the women on the job, and to inform the women about how to incorporate their own small construction business once they are trained.

This single idea of helping women build and rehabilitate housing in their own neighborhoods elegantly addresses several social ills simultaneously. It helps women in the neighborhoods work toward self-sufficiency by developing skills and securing employment in high-wage occupations. It provides these opportunities near home, pragmatically allowing mothers to check up on their children during the workday. It also furnishes the employable skills vital for helping the increasing numbers of single mothers provide for their families.

In addition, the new language squarely confronts the problem of low numbers of women in construction, at a startling 2 percent of the construction work force in 1991. It increases this meager rate not only by recruiting and training women for construction, but also by retaining any gains made by helping the construction companies set up workable environments to maintain the women they hire. Best of all, it addresses these problems by meeting yet another critical need: the renovation of troubled low- and moderate-income neighborhoods.

I again urge my colleagues to support this bill and this powerful provision contained in it. In so doing, we will produce self-sufficient women, a more equitable number of women in construction jobs, a renovated neighborhoods.

Following is a list of low-income credit unions as designated by the National Credit Union Administration. The list is current as of August 5, 1992.

Please keep in mind that this list only reflects the number of credit unions that have applied for a low-income designation and been approved by NCUA. Many other credit unions could potentially obtain the low-income designation if they chose to seek such a designation. It is estimated that there are approximately 300 to 500 credit unions in aggregate that are serving economically disadvantaged communities but cannot document that conclusively:

Selma-Dallas Community, Selma, AL 36701.

Lester Alabama, Lester, AL 35647.  
St. Johns AME Birmingham, Birmingham, AL 35202.

Demopolis, Demopolis, AL 36732-0671.

York Citizens, York, AL 36925.

Force, Eutaw, AL 35462.

Prichard, Prichard, AL 36610.

College Station Community, College Station, AR 72033.

Chicanos por la Causa, Phoenix, AZ 83034.

First American, Window Rock, AZ 86315.  
Peoples Ind Church, Los Angeles, CA 90043.  
Isia Vista Community, Isla Vista, CA 93117.

Mission Area, San Francisco, CA 94103.  
Desert-Valle, El Centro, CA 92243.  
Northeast Community, San Francisco, CA 94108.

Family, Wilmington, CA 90744.  
Watts United, Los Angeles, CA 90002.  
Need Action, Waterbury, CT 06721.

Local 25 #32 AFL-CIO, Washington, DC 20005.  
Metropolitan Baptist Church, Washington, DC 20009.

Hospitality Community, Washington, DC 20002.  
PSA, Wilmington, DE 19801.

St. James A M E Church, Miami, FL 33147.  
NEJA, Marianna, FL 32446.  
First Baptist Church Oakland, Jacksonville, FL 32206.

Putnam County, Palatka, FL 32177.  
POC, St Petersburg, FL 33713.  
Community Trust, Apopka, FL 32704-1023.

South Okeechobee Comm. Development, Belle Glade, FL 33430.  
Piney Grove Community, Swainsboro, GA 30401.

F A B Church, Savannah, GA 31401.  
Wheat Street Church, Atlanta, GA 30312.  
Tabernacle, Augusta, GA 30901.

Unified Singers, Thomasville, GA 31799.  
Stewart County, Lumpkin, GA 31815.  
Clarke Community, Athens, GA 30606.

Ware County, Waycross, GA 31501.  
Stephens County Community, Toccoa, GA 30577.

B.O.N.D. Community, Atlanta, GA 30307.  
Grant Park-S.A.N.D., Atlanta, GA 30312.  
American Samoa Government Emps., Pago Pago, GU 96799.

SCICAP, Leon, IA 50144.  
St. Martin de Porres Parish, Chicago, IL 60624.

Puerto Rican Society, Waukegan, IL 60079.  
Israel Methcomm, Chicago, IL 60619.  
T U F C, Chicago, IL 60610.

C T A F C, Chicago, IL 60607.  
North Side Community, Chicago, IL 60640.  
Austin/West Garfield, Chicago, IL 60651.

North East KY Cap, Olive Hill, KY 41164.  
Central Appalachian Peoples, Berea, KY 40403.

Iberia Parish, New Iberia, LA 70560.  
Union, Farmerville, LA 71241.  
Fourth Ward, Anite, LA 70422.

Avenue Baptist Brotherhood, Shreveport, LA 71103.  
Tulane Memorial Baptist Church, New Orleans, LA 70187-0716.

Lincoln Community, Ruston, LA 71270.  
St. Pauls Lafayette, Lafayette, LA 70501.  
Ninth Ward, New Orleans, LA 70117.

Zachary Community, Zachary, LA 70791.  
St. John Self-Help, Reserve, LA 70084.  
P. A. Crohley, LA 70527.

Holy Ghost Faith, Opelousas, LA 70570.  
D. Edward Wells, Springfield, MA 01109.  
Hull Mass, Hull, MA 02045.

South End, Boston, MA 02118.  
Douglas Memorial, Baltimore, MD 21217.  
Parky Maryland, Baltimore, MD 21215.

Rentex Employees, Baltimore, MD 21223.  
South Baltimore Community, Baltimore, MD 21230.

St. Mary's County, Hollywood, MD 20636.  
Cleveland, Cleveland, MS 38732.  
Friendship Community, Clarksdale, MS 38614.

Shelby, Shelby, MS 38774.  
North Gulfport Community, Gulfport, MS 39501.

Indianola Community, Indianola, MS 38751.

Central Mississippi, Winona, MS 38967.  
Issaquena County, Mayersville, MS 39113.  
Greene County, State Line, MS 39362.

Lauderdale County, Meridian, MS 39302-5752.  
Choctaw, Philadelphia, MS 39350.

East Central, Louisville, MS 39339.  
Quitman County, Marks, MS 38646.  
Mission Arts Employees, Ashland, MT 59003.

Bricks (NC) Community, Enfield, NC 27823.  
Tri-County, Ahoskie, NC 27910.  
Rowan-Iredell Area, Salisbury, NC 28145.

St. Luke, Windsor, NC 27983.  
Chowan, Edenton, NC 27932.  
Self-Help, Durham, NC 27701.

Greater Morristown Area, Morristown, NJ 07960.  
La Casa Federal Credit Union, Newark, NJ 07104.

New Community, Newark, NJ 07103.  
University Settlement, New York, NY 10002.

Allen, Jamaica, NY 11433.  
Union Settlement, New York, NY 10029.  
Cornerstone Baptist Church, Brooklyn, NY 11221.

Transfiguration Parish, Brooklyn, NY 11211.  
Good Counsel, Brooklyn, NY 11221.

Bethex, New York, NY 10011.  
CEDC, Hempstead, NY 11550.  
Community Action Org of Erie County, Buffalo, NY 14209.

Alternatives, Ithaca, NY 14850.  
North Brooklyn, Brooklyn, NY 11211.  
Brooklyn Ecumenical, Brooklyn, NY 11217.

Lower East Side People's, New York, NY 10009.  
Northwest Bronx Coalition, Bronx, NY 10468.

Self Help Works, New York, NY 10012.  
Mid-Bronx Community Development, Bronx, NY 10460.

Bethel Baptist, Dayton, OH 45407.  
Capital City, Columbus, OH 43205.  
HYS, Chillicothe, OH 45601.

O.U.R., Eugene, OR 97401.  
St. Patrick's Spangler, Spangler, PA 15775.  
L M P, Philadelphia, PA 19104.

Mahlon M. Lewis, Philadelphia, PA 19139.  
Jones Tabernacle, Philadelphia, PA 19121.  
Salem, Jenkintown, PA 19046.

Emmanuel Methodist, Philadelphia, PA 19132.  
Zoah Methodist Church, Philadelphia, PA 19123.

Calvary Northern Liberties, Philadelphia, PA 19104.  
RTC, Philadelphia, PA 19147.

Sto-Rox Community, McKees Rocks, PA 15136.  
Hill District, Pittsburgh, PA 15219.

E.A.H.C., Easton, PA 18042.  
Borinquen, Philadelphia, PA 19132.  
The Germantown, Philadelphia, PA 19144.

New Kensington, Philadelphia, PA 19125.  
CO, Charleston, SC 29403.

Interlakes Community, Hadison, SD 57042.  
Sisseton-Wahpeton, Agency Village, SD 57262.

Macedonia Baptist Church, Jackson, TN 38301.

Marion County, Jefferson, TX 75637.  
United Counties, Taylor, TX 76574.  
Knights of Pythias #326, Dallas, TX 75216-3421.

Common Ground Community, Dallas, TX 75223.  
UCB Credit Union, Salt Lake City, UT 84147.

Newport News Neighborhood, Newport News, VA 23607.  
Halifax County and South Boston Com, South Boston, VA 24592.



Fishing Bay, Deltaville, VA. 23043.  
Vermont Development, Burlington, VT.  
05401.

McDowell County, Wilcoe, WV. 24895.  
Near Eastside Community, Indianapolis,  
IN. 46201-2006.

Mr. Chairman, let me conclude by thanking the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentlewoman from Maryland [Mrs. MORELLA], and the gentlewoman from California [Ms. WATERS] for helping us draft these provisions.

And I would like to say to my colleague, the gentleman from Ohio [Mr. WYLIE], "God speed, we will miss you."

Mr. GONZALEZ. Mr. Chairman, I conclude by alluding to the great work of the gentleman from Ohio [Mr. WYLIE]. There is no question we are going to miss him considerably in our committee. He and I have worked together for many years. I must recognize that the last comprehensive bill, which was the first one in 15 years, the 1994 Affordable Housing Act. Somebody called it the Cranston-Gonzalez; I did not. I am always leery of fixing names, ever since the Garn-St Germain fiasco.

But I think that act, if they were going to call it the Cranston-Gonzalez, it should have been the Cranston-Gonzalez-Wylie bill because it was his enlistment of the President himself and the Secretary of HUD which enabled us to shape up that formidable program. Also, the fact that the President, Mr. Bush, reacted in a very constructive manner.

Mr. MAZZOLI. Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992. At this time, I would like to commend the gentleman from Texas [Mr. GONZALEZ] and his colleagues on the Committee on Banking, Housing and Urban Affairs for their valuable work and for bringing this bill to the floor.

On a walking tour of the Parkland neighborhood in June in my hometown of Louisville, KY, I was reminded by many citizens of the great need for affordable housing. H.R. 5334 addresses this need by authorizing funds for important housing and community development programs.

I am pleased to note that the bill includes an authorization of \$2.2 billion for the HOME Investment Partnership Program, which provides grants to States and cites to help families obtain suitable housing. Amending the program's matching fund provision to require a flat 10-percent local match, as H.R. 5334 does, will allow communities like Louisville to continue participation in this worthwhile program.

The \$3.4 billion authorization for the Community Development Block Grant Program [CDBG] will also be of great assistance in aiding communities with providing affordable housing. For example, the city of Louisville's highly successful homeownership program, which consists of selling newly constructed condominiums to residents of assisted housing, involves a blend of CDBG funds and private funds. It is good to know that H.R. 5334 allows for the continuation of proven programs like the CDBG Program.

The subsidized housing and public housing authorizations of the bill—\$15.2 billion and

\$2.2 billion respectively—will ensure that many low-income families will have the opportunity for decent housing. Louisville and Jefferson County have a record of providing safe and quality housing for many low-income families, and I am pleased that H.R. 5334 will assist communities with their efforts.

Finally, as a long-time supporter of the McKinney Homeless Assistance Act, I am grateful that H.R. 5334 authorizes \$735 million for homeless assistance programs. The emergency shelter grants, the single room occupancy [SRO] dwellings, and the Supplemental Assistance for Facilities to Assist the Homeless [SAFAH] Program have been invaluable to Louisville in aiding our neediest citizens.

Mr. Chairman, a major economic problem facing cities is a lack of affordable housing, and H.R. 5334 goes a long way in addressing this problem. There are exciting and innovative affordable housing initiatives being undertaken in Louisville, KY, and communities across America. The Housing and Community Development Act of 1992 will complement those efforts, and I urge my colleagues to support the bill.

Mr. STUDDS. Mr. Chairman, I rise in strong support of the Housing and Community Development Act under consideration today in the House.

Of particular concern to residents of the cities of New Bedford, Brockton, and Quincy, MA, and of communities across Cape Cod and across the country is a provision authored by my colleague from Massachusetts, Congressman BRIAN DONNELLY. Directors of public housing programs from Barnstable to Brockton have shared with me harrowing accounts of the difficulties they are encountering in mixed population housing projects. As increasing numbers of nonelderly residents occupy elderly housing units, an array of problems—some predictable and others unforeseen—are arising. In many communities, the problems are reaching crisis proportions. Elderly residents are fearful of leaving their homes—not for fear of venturing into the city streets, but for fear of encountering an unstable neighbor next door.

The bill before us clarifies the definitions of specific public housing populations—the elderly, near elderly, disabled, and handicapped. The measure will in no way restrict access to public housing. It will simply enable public housing authorities to better meet the needs of all eligible residents.

The bill before us also contains a very sensible and cost-effective provision, authored by my colleague Congressman BARNEY FRANK, which deserves mention. Many housing authorities—including officials in the city of Brockton—have worked long and hard to refinance the construction of section 8 housing in their communities. Language in this bill will reward their foresight and sound economic sense by permitting public housing authorities to retain 50 percent of any funds recaptured upon the refinancing of debt incurred in the construction of section 8 housing begun between January 1, 1979 and December 31, 1984. The remaining 50 percent of the funds at issue will be returned to the Department of Housing and Urban Development [HUD].

This is a commendable example of efforts which benefit the public and ultimately save taxpayers' money. We see far too few money-

saving measures in Federal programs. I not only commend the details of this provision to my colleagues' attention, but I encourage them to join me in fostering similar efforts in other programs in other communities.

Mr. WEISS. Mr. Chairman, I rise in strong support of H.R. 5334, the Housing and Community Development Act of 1992. I want to praise Chairman GONZALEZ for his leadership on this bill and for his tireless efforts on behalf of improving the quantity, quality, and affordability of housing for all Americans. The National Affordable Housing Act approved by the Congress in 1990 represented the first significant revisions to housing law since 1974. Today, we have the opportunity to extend and improve the work of that landmark bill by approving the Housing and Community Development Act. I am particularly pleased that H.R. 5334 includes two amendments which I offered in committee, amendments which I believe are modest in detail but significant in scope.

Every title of this 500-page bill makes significant improvements in housing law. Although the overall authorization level was reduced at committee and then again on the floor today, we can still be proud of authorizing \$28.8 billion for many housing and community development programs. Title I of the bill on housing assistance reduces vacancies in public housing, expands section 8 assistance for home ownership and establishes a creative HOPE for Youth Program.

Title II of the bill provides valuable funding for the HOME Investment Partnership Program and makes vital reforms, such as eliminating restrictions on new construction and conforming HOME projects with the low-income housing tax credit. H.R. 5334 also provides for a comprehensive planning and assessment of the physical and financial condition of HUD insured and assisted multifamily housing and multifamily housing for the elderly. The bill also ably handles the very delicate issue of mixed populations in public and assisted housing.

Included in the National Affordable Housing Act of 1990 was a significant provision on housing opportunities for people with AIDS. This program created a source of funds for States and localities to provide a range of housing assistance and social service alternatives for the HIV-ill. The program received no funds in 1991 but was appropriated \$50 million for the current year. Sadly, none of these funds have been tapped because the Department of Housing and Urban Development has not yet issued the necessary regulations. Fortunately, my proposal to establish a 30-day deadline after enactment of this legislation for the Secretary of HUD to issue interim regulations is included in H.R. 5334.

The promulgation of these interim regulations will allow Federal funds to begin flowing without closing the period for public comment. My office has spoken to HUD and we have been informed that the regulations may be ready before enactment of this bill. If this turns out to be the case, then all the better. But the fact remains that HUD has failed to comply with its own timeframes for issuing these regulations. Therefore, I offer this amendment to provide assurances that these regulations are not delayed any further. HUD officials them-

selves confessed that they must prioritize regulations, and that one of the criteria for prioritizing is the imposition of a deadline by Congress. It is vital for the Congress to convey its eagerness for funding this program by establishing a deadline for the regulations. Furthermore, the committee bill establishes a 45-day deadline for the new amendments to this section of the law. Given that requirement, I consider a 30-day deadline for regulations already in the works to be reasonable.

Also included in H.R. 5334 is my proposal to provide some needed flexibility for transitional housing facilities. The McKinney Act currently places a 24-month limitation on homeless individuals residing in transitional housing facilities. Transitional housing's purpose is to get people off the streets, provide them with needed services and treatment, and transfer them to independent and, hopefully, permanent living arrangements. Such a deadline would seem consistent with the program's goals. Unfortunately, some individuals' treatment regimen extends beyond 24 months. In addition, there often is no permanent housing available for persons at the end of their 24-month stay in a transitional program. What are we to do? Throw them out into the streets? Certainly not.

My language makes clear that Federal monies cannot be denied to a transitional facility that maintains an individual beyond the current 24-month deadline. This technical amendment does not undermine the purpose of transitional living but does create some flexibility for those facilities that may find themselves hard pressed at times to fulfill that 24-month deadline. Current law does allow the Secretary of HUD to waive the current deadline upon application. However, many facilities are so overburdened with providing for their clients that they cannot afford the time or resources to request this waiver. In addition, some facility administrators are unfamiliar with existing policy and afraid to tackle the complex bureaucratic maze associated with special waivers for Federal programs. My language will eliminate this unnecessary hurdle.

These provisions will ensure speedy funding of housing for people with AIDS and will go a long way in helping transitional housing facilities meet the needs of all their clients. I am very pleased with their inclusion in the measure before us.

Mr. Chairman, we still have much to do in order to address our Nation's housing needs adequately, but this legislation is an important step toward the end of better providing affordable and accessible housing for our citizens. I ask my colleagues to support H.R. 5334.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. I would like to commend the distinguished chairman of the Banking Committee, the gentleman from Texas, for his leadership and hard work on this legislation. Through his leadership, new hope will be provided to thousands of low-income Americans in need of housing and economic opportunities.

I am pleased to say that H.R. 5334, through the leadership of Hunger Committee member Representative JIM MORAN, includes language that would make microenterprise programs for the poor and activity eligible for assistance

under the CDBG Program. This language originally appeared in H.R. 2258, the Freedom From Want Act, antihunger legislation which I and Hunger Committee ranking minority member BILL EMERSON introduced in May of last year.

This language is important, Mr. Chairman, because it opens up one of our main economic development programs—community development block grants—to people-centered development such as microenterprises. Microenterprise programs help people escape poverty by helping them set up their own small businesses. Increasingly, a community can no longer count on big government or industry to provide its economic base; it must provide that base through projects like small businesses.

I want to commend the Banking Committee for its hard work on H.R. 5334. I encourage my colleagues to support this important bill.

Mr. ORTON. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992.

I do so primarily because this bill contains a number of features which are important for the encouragement of affordable single- and multi-family housing. The bill overturns the 57-percent limit on closing costs for FHA mortgages. I believe this change is critical to make housing more attainable for so many younger Americans hoping to buy their first home. Testimony in our housing hearings demonstrated that this change can be accomplished without an increased risk to the FHA insurance fund.

I am also pleased to note that two provisions which I have sponsored are included in this bill. Allowing the use of HOME investment partnership funds for administrative costs is a vital step in helping smaller communities provide affordable rental housing. This change has been an important priority for me, and I would also like to note the fine efforts of Representatives ROUKEMA and KLECZKA to push for its adoption. Finally, the bill provides for use of mortgage revenue bonds in conjunction with the national homeownership trust fund, an approach which would use further targeting of mortgage financing to allow those with moderate incomes to join the housing market.

Of course, I am not enthusiastic about all aspects of this bill. Even with the adoption of the Gonzalez en bloc amendments, I believe this bill authorizes too high a funding level, in a period of record budget deficits. However, I recognize that since this is a 1-year reauthorization bill, and since the House has already adopted the VA/HUD appropriations bill, the funding levels of this bill have little practical significance. Last week, I voted against the VA/HUD appropriations bill, because of what I considered to be an excessive funding level. This week, I will vote in favor of the reauthorization bill—because of the many important provisions it contains, and in spite of the funding levels.

Finally, with regard to this bill's likely outcome, I would urge the President and the Congress to work together to enact a reauthorization bill. There are many disagreements between the administration and the Democratic leadership in Congress. On many of these disagreements, I side with the President, on many others I side with the leadership. However, I feel strongly that the reauthorization process should not become irrele-

vant to the legislative process, to the point where everything is decided in the appropriations bills. We have spent many long hours holding hearings and voting on these issues. In the name of bipartisanship, I believe these issues should be resolved.

Therefore, I support H.R. 5334 and look forward to this bill's final enactment.

Mr. KOPETSKI. Mr. Chairman, I rise today in support of H.R. 5334, but in doing so I would like to draw my colleagues' attention to the issue of mixed housing.

The bill before us contains a number of provisions designed to alleviate some of the problems with mixed populations of elderly and disabled individuals in public and assisted housing. I have housing authority directors in my district who are experiencing serious difficulties in keeping these two groups safe and happy. A General Accounting Office report indicates that in 1990, nonelderly mentally disabled people occupied about 9 percent of the public housing units for the elderly, and about 31 percent of these households reportedly caused moderate or serious problems because of behavior such as alcohol abuse or excessive noise, and because of the presence of disruptive visitors. Very disturbing incidents have occurred, and have been documented.

The Housing and Community Development Act before us today will allow housing to be designated as elderly or near-elderly only. Undoubtedly, this will make life easier for many elderly housing residents and for housing authority directors. But it will not do anything to make life easier for disabled people who need housing.

Mr. Chairman, segregated housing assumes that people with disabilities, once denied public housing designated for use by elderly tenants only, will find housing elsewhere. However, without data on available housing options, firm commitments from housing sponsors who could provide alternate housing for persons with disabilities, and the commitment of additional resources to federally funded housing programs, persons with disabilities will spend significantly more time on waiting lists. In many cases, prolonged waiting could result in increased homelessness and institutionalization.

Mr. Chairman, I believe that the disabled need housing, too. Where are they going to go if they cannot get into a housing authority? What's going to happen to the mentally disabled if they are simply given section 8 assistance and are sent out on their own? These people need help if they are going to live by themselves, and they will need help if they are going to live alongside elderly people.

Mr. Chairman, I am moved and greatly saddened by the cases of rape, abuse violence, and harassment that have been reported in mixed housing projects. However, I believe that a more fundamental solution than segregation is needed, and that we will meet the needs of both populations only by providing them with support services.

Mr. Chairman, let's not forget the disabled in trying to help the elderly.

Mrs. SCHROEDER. Mr. Chairman, I'm sure you have heard the newest joke on the Hill. It goes like this: What's the difference between George Bush and Jimmy Carter? Carter has had more housing starts since he's been out of office than Bush has had during office.



That's what we are facing with H.R. 5334, the Housing and Community Development Act. Housing authorization levels dropped from 7 percent in the budget for fiscal year 1978 to 0.7 percent in the budget for fiscal year 1988, and are still falling. Presently, 1.2 million public housing units exist for 33.6 million people living below the poverty line. Yet, the administration continues to gut public housing and force underserved populations to compete for scarce housing space. H.R. 5334 continues this trend by pitting senior citizens against people with both mental and physical disabilities, and classifying virtually all people with disabilities as members of the criminal class.

Congress has already passed laws prohibiting discrimination against people with disabilities, yet the practice continues. I advise all my colleagues that unyielding support of the Housing and Community Development Act effectively condones discrimination and undermines any efforts to provide services and security to all people in need of housing.

Mrs. LLOYD. Mr. Chairman, today I am pleased to support H.R. 5334, the Housing and Community Development Act, which provides \$30.1 billion for many urgently needed housing and community grant programs.

I am very pleased and gratified that a number of the provisions in this bill were elements of legislation that I wrote earlier this year to make much needed improvements in the Federal housing programs that serve our Nation's older Americans. As chairman of the Select Committee on Aging's Subcommittee on Housing and Consumer Interests, it is my role to advocate for effective programs to serve the housing needs of all older adults, particularly those who have low incomes. Further, I believe that housing programs serving special populations and their unique needs must go beyond the bricks and mortar to provide a supportive, services-enriched environment. The legislation that we passed today will make substantial improvements in the current housing programs for the elderly, without creating large, new programs that we will have difficulty funding.

I would like to briefly outline the provisions of my legislation that have been included in H.R. 5334. First, several provisions address problems with the administration of programs that can be corrected by the Department of Housing and Urban Development [HUD]. The bill requires HUD to review all federally assisted housing projects for the elderly to assess their needs in the areas of supportive services, modernization, personnel, and finances. I want to thank Representative MFUME and Representative ROYBAL, chairman of the Select Committee on Aging, for their assistance in having this provision accepted by the Committee on Banking, Finance and Urban Affairs.

The Secretary is also instructed to work to provide one-stop housing assistance application centers to better serve older individuals and others seeking housing, and the bill requires that regulations for the Revised Congregate Housing Services Program [RCHSP] be issued. In 1990, I drafted the legislation which created the RCHSP. Unfortunately, HUD has failed to spend any of the appropriations that we have provided for these excellent services programs for the frailest of our resi-

dents. With this bill, we are again instructing HUD to do its job and provide funds for services to the elderly and disabled.

Another provision that I wrote, as did Mr. KLECZKA, expands the authorization for service coordinators to sections 236, 221(d)(3), 515, and section 8 projects. Further, it clarifies who can be hired or otherwise employed as service coordinators, and makes the language more consistent throughout the law. My good friend, Representative MARY ROSE OAKAR, was very helpful in placing this language in the bill. It is my hope that someday in the near future all facilities that need service coordinators will be able to have them.

Last, language that I drafted, and my distinguished colleague Mr. SCHUMER offered as an amendment to the bill, expands the current eligibility for mortgage insurance under section 232. It clarifies that, in addition to the eligibility of nursing homes and board and care facilities, assisted living facilities may also receive mortgage insurance under this program. Assisted living facilities provide a level of care that is less extensive, and less expensive, than nursing homes provide.

Mr. Chairman, I would also like to mention my support for several other programs in this bill. This legislation authorizes over 13,000 units of section 202 housing which serves the elderly, and \$27 million for the Revised Congregate Housing Services Program. It also reauthorizes the HOPE for Elderly Independence Program to provide vouchers coupled with services to older Americans.

Another very important program to the Third District of Tennessee is the Community Development Block Grant Program [CDBG]. Both the Room at the Inn and the Chattanooga Community Kitchen programs were funded with CDBG monies. H.R. 5334 also lifts some of the Federal Housing Administration's [FHA] rules that made it more difficult for buyers trying to purchase a home with Federal mortgage insurance. The bill removes restrictions on the amount of closing costs that may be financed under the FHA loan program and increases the allowable size of the home loans that are insured under the program. I am hopeful that this will give more Americans the opportunity to purchase homes.

Finally, Mr. Chairman, this bill authorizes Farmers Home Administration rural housing programs, including \$2.3 billion in rural loans and grants. These programs are essential to many of the communities in my district and across the Nation.

I commend the efforts of Chairman GONZALEZ and ranking minority members WYLIE and ROUKEMA, who take the housing needs of all Americans very seriously. I look forward to working with them in the future to improve Federal housing for older Americans. I urge my colleagues to support H.R. 5334.

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 5334, the bill that provides the foundation for Federal housing and community development programs in rural and urban areas all across America.

According to a recent Harvard study on today's housing market, high costs continue to limit access to home ownership for many potential first-time buyers. Even if lenders offer a variety of downpayment options, starting at as low as 5 percent, few Americans have the in-

come and wealth to qualify for a mortgage to purchase a typical starter home. Rents continue to rise. Homelessness is escalating. Yet, the administration has consistently cut our critical Federal housing programs and, consequently, has substantially weakened our commitment to provide affordable, decent housing for all Americans.

But, H.R. 5334 responds to America's housing crisis by providing the support for a variety of programs—including low- and middle-income family mortgage assistance, rural housing grants and loans, first-time homebuyer assistance, community development, low-income rental assistance, public housing, home ownership for low-income families, and emergency shelters and low-cost housing for homeless persons.

The Community Development Block Grant [CDBG] Program is a key element of H.R. 5334. CDBG gives States and local governments flexible funds and the freedom to determine for themselves how best to address their housing and community development needs. H.R. 5334 expands the type of activities for which CDBG grants can be used to include certain community-university partnership activities and to assist microenterprises—or activities that employ five or fewer people—that require small, short-term working capital loans for startup purposes.

H.R. 5334 also authorizes the use of CDBG special purpose grants for areas that are adversely affected by cuts in defense spending. Under the bill, communities generally would be eligible for this defense-related assistance if they expect to lose 1,000 or more full-time defense workers over a 5-year period because of base closing, cancellations of defense contracts, or other defense cutbacks.

CDBG is a very popular program in my district. In Woodland, CA, CDBG funds have been used to rehabilitate homes for low-income property owners, a number of whom are elderly individuals on fixed incomes. Woodland has also applied CDBG money toward food for the homeless and elderly and child care. In Rio Linda, we use CDBG funds for street improvements, like street lights, to support our community centers, and to extend water lines. Since 1975, the Sacramento Housing and Redevelopment Agency has used CDBG funds to provide services and activities for low- to moderate-income persons in both the city and county. These services and activities include street improvements, community centers, parks and recreation, emergency repair grants, and fire protection.

H.R. 5334 also makes some changes in the Federal Housing Administration [FHA] Loan Program. First, it increases the limit for single family homes to 95 percent of an area's median sales price, and raises the maximum amount for an FHA loan from \$124,875 to about \$151,725. This means that the current FHA loan limit would increase to \$171,955 nationally, and to anywhere between \$135,000 and \$140,000 in Sacramento and surrounding areas. This is important to homebuyers in high-cost areas like California, where the median home sales price often exceeds the FHA maximum loan amount.

There is also a provision that eliminates the FHA's 57 percent limit on the amount of closing costs that may be financed in an FHA

loan. These two changes mean that more American families will have access to the financing that they need in order to purchase their own homes.

The HOPE Program and the HOME Investments Partnership Program are also funded by H.R. 5334. HOPE provides matching grants to help public housing tenants and other low-income families buy either their own units or other federally owned housing. HOME provides matching grants to States and local governments to assist in the development of local strategies for expanding the supply of affordable housing, to build, rehabilitate and acquire affordable housing, and to provide rental assistance.

H.R. 5334 also creates a new program under HOPE. This new program—HOPE for Youth: Youth Build—expands the supply of affordable housing for homeless and low-income families in distressed communities by employing local disadvantaged young adults. In exchange for their talents and skills, these young people obtain education, training, and skills.

Many of us in rural America depend on the Farmers Home Administration [FmHA] Program, which includes direct and guaranteed single-family housing loans, multifamily rental housing construction loans, rural home repair loans, and loans for farm labor housing. H.R. 5334 introduces a new FmHA rural homeless grant program that will help rural homeless families and provide assistance to help prevent other families from becoming homeless.

The FmHA also has a loan program for constructing rural multifamily rental housing, and is now prevented from denying loans for projects because they are located in excessively rural or remote locations or because of the geographic location of a proposed project, or from providing a preference for loans based on the availability of any particular essential service, such as postal services, schools, health services, or grocery stores. H.R. 5334 also establishes a new grant program to fund service coordinators in FmHA-assisted rural housing projects in which a sufficient number of frail elderly reside.

H.R. 5334 reauthorizes the FmHA's underserved areas program, under which the FmHA must identify and target assistance to 100 counties where the poverty rate is high and mortgage lending is below State averages. It requires the FmHA to set aside 5 percent of its total lending authority for such underserved areas.

H.R. 5334 also includes support for a mix of assistance programs for the elderly, the handicapped, and the disabled. Several constituents have contacted my office to express their fear and concern for some of the elderly residents of such housing programs. One constituent in particular wrote regarding his mother, a resident of a Federal subsidized apartment building who lived in day-to-day fear of some of her neighbors. In response to concerns like these, H.R. 5334 allows public housing agencies, under certain conditions, to set aside certain housing projects, or portions of projects, in which only elderly residents, or disabled residents, or handicapped residents, or any combination thereof, would be permitted to live. This will bring much needed peace of mind to those senior citizens who share Federal housing accommodations with other residents who

may be a threat to their physical well-being. However, the measure also requires that, when such accommodations are made for senior residents, reasonable efforts are taken to provide alternative housing and assistance to affected handicapped and disabled persons who may otherwise be excluded from such designated housing. Additionally, tenants may not be evicted in order to promote such designated housing. This way, no one is left out in the cold and everyone's interests are protected.

H.R. 5334 reaffirms the Federal Government's commitment to affordable housing for American families. It reinforces that we have a right to decent housing in decent neighborhoods—and that home ownership should not be the right of only a privileged few. Housing is an important priority for us here in Congress; H.R. 5334 deserves our attention and our support.

Mr. STALLINGS. Mr. Chairman, I rise today in support of H.R. 5334, the Housing and Community Reauthorization Amendments of 1992. This important piece of legislation has far-reaching impacts for low-income families, veterans, elderly, handicapped, and the homeless. This bill rightly increases the maximum FHA loan amount and eliminates the limits on financing closing costs. Additionally, I commend the committee for the new Youthbuild Program which not only provides training and employment for disadvantaged youth, but will increase the stock of affordable housing. This type of multipurpose program will maximize the return on our Federal dollar investment. This legislation also provides solutions to problems encountered in Idaho regarding mixed population housing. Finally, this bill works to improve rural housing needs, establishes a new grant program for the rural homeless, and increases the invaluable community development block grants. Again, I congratulate the committee for a bill which obviously has wide bipartisan support.

Mr. SERRANO. Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. I thank the chairman of the Committee on Banking, Finance, and Urban Affairs, Mr. Gonzalez, and the ranking minority member, Mr. WYLIE, for their hard work in creating this important piece of legislation.

Last year when we passed the First Housing and Community Development Act we made a commitment to the people of this country to move toward our goal of providing affordable, decent housing for all Americans.

Little has changed since then. The housing situation in this country has continued to deteriorate. Young families are still not able to afford their first home. More and more, young educated people, are joining the ranks of the homeless. In the city of New York alone there are approximately 90,000 people who are homeless.

Hardworking Americans struggling to make ends meet, continue to have to deal with drug warfare. Our inner-city housing developments are still riddled with drugs, violent crimes, and decay. It saddens me that we have a generation of American youth growing up under such conditions and that know no other way of life.

Mr. Chairman, what I find even more disheartening is that in my district, due to the

lack of affordable housing, there are more and more families entering homeless shelters everyday.

This legislation does not ignore our homeless people, our elderly, our youth, or our cities. It makes an attempt to address these issues. It recognizes that the Federal Government must have a role in providing adequate and safe housing. Our cities cannot and should not be expecting to provide all of the funding.

Mr. Chairman, the youthbuild program, is an important youth initiative. This is an innovative program that will put our young people to work while helping them to rebuild their communities. As was made painfully clear by the riots in Los Angeles, the despair of our cities' youth has become a national crisis.

Mr. Chairman, I support final passage of H.R. 5334 as an affirmation of this body's commitment to respond to the basic needs of the American people.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered as read.

The text of the committee amendment in the nature of a substitute is as follows:

#### H.R. 5334

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Housing and Community Development Act of 1992".

(b) *TABLE OF CONTENTS.*—

Sec. 1. Short title and table of contents.

Sec. 2. Effective date.

#### TITLE I—HOUSING ASSISTANCE

##### Subtitle A—General Provisions

Sec. 101. Low-income housing authorization.

Sec. 102. Extension of ceiling rents.

Sec. 103. Income and definitions applicable to Indian housing programs.

Sec. 104. Public and section 8 housing tenant preference rules.

Sec. 105. Income eligibility for assisted housing.

Sec. 106. Family self-sufficiency program.

##### Subtitle B—Public and Indian Housing

Sec. 111. Major reconstruction of obsolete projects.

Sec. 112. Public housing tenant preferences.

Sec. 113. Public housing operating subsidies.

Sec. 114. Public housing vacancy reduction.

Sec. 115. Public housing demolition and disposition.

Sec. 116. Public housing resident management.

Sec. 117. Public housing homeownership.

Sec. 118. Public housing family investment centers.

Sec. 119. Public housing early childhood development services.

Sec. 120. Indian housing childhood development services.

Sec. 121. Exemption of Indian housing program from new construction limitation.

Sec. 122. Public housing one-stop perinatal services demonstration.

Sec. 123. National Commission on Distressed Public Housing.

Sec. 124. National Commission on American Indian, Alaska Native, and Native Hawaiian Housing.



Sec. 125. Public housing homeownership demonstration.

Sec. 126. Sale of certain scattered-site housing.  
Subtitle C—Section 8 Assistance

Sec. 141. Restatement and revision of section 8 rental assistance program.

Sec. 142. Implementation of amendments to project-based certificate program.

Sec. 143. Effectiveness of section 8 assistance for PHA-owned units.

Sec. 144. Nondiscrimination against section 8 assistance holders.

Sec. 145. Implementation of income eligibility provisions for section 8 new construction units.

Sec. 146. Moving to opportunity for fair housing.

#### Subtitle D—Other Programs

Sec. 161. Public and assisted housing drug elimination.

Sec. 162. Flexible subsidy program.

Sec. 163. Housing counseling.

Sec. 164. Use of funds recaptured from refinancing State and local finance projects.

Sec. 165. HOPE for youth.

#### Subtitle E—Homeownership Programs

Sec. 181. HOPE homeownership programs.

Sec. 182. National Homeownership Trust demonstration.

Sec. 183. Nehemiah housing opportunity grants.

Sec. 184. Loan guarantees for Indian housing.

Sec. 185. Assistance under section 8 for homeownership.

#### Subtitle F—Implementation

Sec. 191. Implementation.

#### TITLE II—HOME INVESTMENT PARTNERSHIPS

Sec. 201. Authorization of appropriations.

Sec. 202. Elimination of restrictions on new construction.

Sec. 203. Use of tenant-based rental assistance amounts for security deposits.

Sec. 204. McKinney Act activities for homeless persons as eligible use of investment.

Sec. 205. Per unit cost limits.

Sec. 206. Administrative costs as eligible use of investment.

Sec. 207. Qualification as affordable rental housing.

Sec. 208. Resale of homeownership housing.

Sec. 209. Matching requirements.

Sec. 210. Assistance for insular areas.

Sec. 211. Use of assistance to establish community housing development organizations.

Sec. 212. Housing education and organizational support for community land trusts.

Sec. 213. Land bank redevelopment.

Sec. 214. Research in providing affordable housing through innovative building techniques and technology.

Sec. 215. Use of innovative building technologies to provide cost-saving housing opportunities.

Sec. 216. Definition of community housing development organization.

Sec. 217. Inclusion of ECHO housing in definition of housing.

Sec. 218. Eligibility of manufactured home owners as first-time homebuyers.

Sec. 219. Eligibility for assistance and contents of strategies.

#### TITLE III—PRESERVATION OF LOW-INCOME HOUSING

Sec. 301. Authorization of appropriations.

Sec. 302. Revision of short title.

Sec. 303. Residual receipts and reserve for replacement accounts.

Sec. 304. Submission of information to tenants.

Sec. 305. Approval of plan of action.

Sec. 306. Receipt of incentives to extend low-income use.

Sec. 307. Elimination of windfall profits test.

Sec. 308. Unit rent criteria for approval of plan of action.

Sec. 309. Resident homeownership program.

Sec. 310. Incentives under Emergency Low Income Housing Preservation Act.

Sec. 311. Delegated responsibility to State agencies.

Sec. 312. Insurance for second mortgage financing.

Sec. 313. Supplemental loans.

Sec. 314. Technical amendments.

Sec. 315. Regulations.

Sec. 316. Study of projects assisted under flexible subsidy program.

#### TITLE IV—MULTIFAMILY HOUSING PLANNING AND INVESTMENT STRATEGIES

Sec. 401. Required submission.

Sec. 402. Contents.

Sec. 403. Submission and review.

Sec. 404. Definitions.

Sec. 405. Regulations.

#### TITLE V—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET

##### Subtitle A—FHA Mortgage Insurance Programs

Sec. 501. Limitation on insurance authority.

Sec. 502. Federal Housing Administration Advisory Board.

Sec. 503. Maximum mortgage amount.

Sec. 504. Maximum principal obligation of mortgages for veterans.

Sec. 505. Prohibition on limitation of closing costs financed.

Sec. 506. Prepurchase counseling requirement.

Sec. 507. Authority to decrease insurance premium charges.

Sec. 508. Statute of limitations for distributive shares.

Sec. 509. Mortgage limits for multifamily projects.

Sec. 510. Insurance of loans for operating losses of multifamily projects.

Sec. 511. Eligibility of assisted living facilities for mortgage insurance under section 232.

Sec. 512. Authorization of appropriations for multifamily housing mortgage insurance field office staff.

Sec. 513. Expediting insurance for acquisition of Resolution Trust Corporation property.

Sec. 514. Energy efficient mortgage pilot program.

Sec. 515. Title I manufactured home loan insurance limits.

Sec. 516. Study regarding home warranty plans.

##### Subtitle B—Secondary Mortgage Market Programs

Sec. 531. Limitation on GNMA guarantees of mortgage-backed securities.

Sec. 532. Authority for GNMA to make hardship interest payments.

#### TITLE VI—HOUSING FOR ELDERLY PERSONS, HANDICAPPED PERSONS, AND PERSONS WITH DISABILITIES

##### Subtitle A—Supportive Housing Programs

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**TITLE XI—NEW TOWNS DEMONSTRATION PROGRAM FOR EMERGENCY RELIEF OF LOS ANGELES**

Sec. 1101. Authority.  
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**SEC. 2. EFFECTIVE DATE.**

(a) **IN GENERAL.**—The provisions of this Act and the amendments made by this Act shall take effect and shall apply upon the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.

(b) **EFFECT OF REGULATORY AUTHORITY.**—Any authority in this Act or the amendments made by this Act to issue regulations, and any specific requirement to issue regulations by a date certain, may not be construed to affect the effectiveness or applicability of the provisions of this Act or the amendments made by this Act under such provisions and amendments and subsection (a) of this section.

(c) **IMPLEMENTATION.**—The Secretary of Housing and Urban Development, the Secretary of Agriculture, or any other Federal officer specifically required (by the provisions of this Act or the amendments made by this Act) to carry out any such provision or amendment, as applicable, shall carry out such provision or amendment upon the effectiveness or applicability of the provision or amendment, notwithstanding the absence of any regulations relating to such provision or amendment.

**TITLE I—HOUSING ASSISTANCE**

**Subtitle A—General Provisions**

**SEC. 101. LOW-INCOME HOUSING AUTHORIZATION.**

(a) **AGGREGATE BUDGET AUTHORITY.**—Section 5(c)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)(6)) is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by \$15,158,946,956 on October 1, 1992."

(b) **UTILIZATION OF BUDGET AUTHORITY.**—Section 5(c)(7) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)(7)) is amended by striking the paragraph designation and all that follows through the end of subparagraph (A) and inserting the following:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1993, the Secretary shall, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating—

"(i) for public housing grants under subsection (a)(2), not more than \$844,792,000, of which amount not more than \$247,312,000 shall be available for Indian housing;

"(ii) for assistance under section 8, not more than \$2,039,232,000, of which such sums as may be necessary shall be available for 15-year contracts for project-based assistance to be used for a multicultural tenant empowerment and homeownership project located in the District of Columbia, except assistance provided under this clause shall not be considered for purposes of the percentage limitations under section 8(i)(2);

"(iii) for comprehensive improvement assistance grants under section 14(k), not more than \$2,332,200,000;

"(iv) for assistance under section 8 for property disposition, not more than \$455,624,000;

"(v) for assistance under section 8 for loan management, not more than \$173,576,000;

"(vi) for extensions of contracts expiring under section 8, not more than \$7,261,632,000, which shall be for 5-year contracts for assistance under section 8 and for loan management assistance under such section;

"(vii) for amendments to contracts under section 8, not more than \$1,918,800,550;

"(viii) for public housing lease adjustments and amendments, not more than \$21,755,000;

"(ix) for public housing replacement activities, not more than \$85,800,000, of which \$32,175,000 shall be for 15-year contracts for project-based assistance under section 8; and

"(x) for conversions from leased housing contracts under section 23 of this Act (as in effect immediately before the enactment of the Housing and Community Development Act of 1974) to assistance under section 8, not more than \$25,535,406."

**SEC. 102. EXTENSION OF CEILING RENTS.**

(a) **REMOVAL OF 5-YEAR LIMIT.**—Section 3(a)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(A)) is amended by striking "for not more than a 5-year period".

(b) **EXTENSION OF PREVIOUS CEILING RENTS.**—Section 3(a)(2)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(B)) is amended—

(1) by striking the first sentence; and

(2) in the last sentence, by striking "for the 5-year period beginning on such date of enactment" and inserting "without time limitation".

(c) **COMPUTATION OF DEBT SERVICE.**—Section 3(a)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)(A)) is amended by adding at the end the following new flush sentence:

"In determining the amount of debt service for any project for purposes of this paragraph, the Secretary may not consider any amount of debt that is not actually outstanding for the project."

**SEC. 103. INCOME AND DEFINITIONS APPLICABLE TO INDIAN HOUSING PROGRAMS.**

(a) **EXCLUSIONS FROM INCOME.**—

(1) **IN GENERAL.**—Section 3(b)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(5)) is amended—

(A) by striking subparagraph (D) and inserting the following new subparagraph:

"(D) child care expenses to the extent necessary to enable another member of the family to be employed or to further his or her education;"

(B) by striking "and" at the end of subparagraph (E);

(C) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(D) by inserting after subparagraph (F) the following new subparagraph:

"(G) excessive travel expenses, not to exceed \$25 per family per week, for employment- or education-related travel, except that this subparagraph shall apply only to families assisted by Indian housing authorities."

(2) **BUDGET COMPLIANCE.**—To the extent that the amendments made by paragraph (1) result in additional costs under this title, such amendments shall be effective only to the extent that amounts to cover such additional costs are provided in advance in appropriation Acts.

(b) **APPLICABILITY OF DEFINITIONS TO INDIAN HOUSING.**—

(1) **IN GENERAL.**—In accordance with section 201(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437aa(b)(2)), the provisions of sections 572, 573, and 574 of the Cranston-Gonzalez National Affordable Housing Act shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian Housing Authority.

(2) **EFFECTIVE DATE.**—Paragraph (1) shall take effect as if such provision were enacted upon the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act.

**SEC. 104. PUBLIC AND SECTION 8 HOUSING TENANT PREFERENCE RULES.**

Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban



Development shall issue regulations implementing the amendments made by sections 501 and 545 of the Cranston-Gonzalez National Affordable Housing Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon issuance.

#### SEC. 105. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16(c) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)) is amended—

(1) in the first sentence, by striking the second comma and inserting "and";

(2) in the first sentence, by striking "and shall" and inserting "In developing such admission procedures, the Secretary shall"; and

(3) by inserting before the period at the end of the penultimate sentence the following: "except that such prohibition shall not apply with respect to families selected for occupancy in public housing under the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)".

#### SEC. 106. FAMILY SELF-SUFFICIENCY PROGRAM.

(a) RESERVATION OF OPERATING SUBSIDIES.—The last sentence of section 23(h)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(h)(2)) is amended to read as follows: "Of any amounts appropriated under section 9(c) for fiscal year 1993, \$25,000,000 is authorized to be used for costs under this paragraph."

(b) PURPOSE.—Section 23(a) of the United States Housing Act of 1937 (42 U.S.C. 1437u(a)) is amended by striking "eligible families" and all that follows and inserting "families to improve their educational and employment status and achieve a greater measure of economic independence and self-sufficiency."

(c) EXCEPTION TO REQUIRED ESTABLISHMENT OF PROGRAM.—Section 23(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)(2)) is amended by striking subparagraphs (A) through (D) and inserting the following:

"(A) lack of supportive services accessible to potential participating families, which shall include insufficient availability of resources for programs under the Job Training Partnerships Act or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act;

"(B) lack of funding for reasonable administrative costs;

"(C) lack of cooperation by other units of State or local government; or

"(D) any other circumstances that the Secretary may consider appropriate.

In allocating assistance available for reservation under this Act, the Secretary may not refuse to provide assistance or decrease the amount of assistance that would otherwise be provided to any public housing agency because the agency has provided a certification under this paragraph or because, pursuant to a certification, the agency has failed to carry out a self-sufficiency program."

(d) SCOPE OF PROGRAM.—Section 23(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)(3)) is amended—

(1) in subparagraph (A)—

(A) by striking "Certificate and voucher assistance under section 8(b) and (o)" and inserting "Assistance under section 8";

(B) by inserting "50 percent of" after "equivalent to"; and

(C) by inserting after the period at the end of the following new sentence: "In determining the increase in the number of families assisted for a year, the public housing agency shall not consider any assistance made available for the property disposition program, for loan management, for family unification pursuant to section

8(q)(3), for handicapped or disabled families pursuant to section 8(q)(4), for replacement assistance under section 304(g), for conversions from leased housing contracts under section 23 (as in effect immediately before the enactment of the Housing and Community Development Act of 1974) to assistance under section 8, or under the provisions of the Low-Income Housing Preservation Act of 1990 or the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act and applicable pursuant to section 604 of such Act); and

(2) in subparagraph (B), by inserting after the period at the end of the following new sentence: "In determining the increase in the number of dwelling units for a year, the public housing agency shall not consider any dwelling unit that in the preceding year was a vacant unit and has become available for occupancy, any unit made available pursuant to the requirement under section 18 providing for replacement of any units demolished or disposed, or any unit in a project designated, and approved by the Secretary, for occupancy under section 7(a)(1)."

(e) LIMITATION ON PORTABILITY.—Section 23(b) of the United States Housing Act of 1937 (42 U.S.C. 1437u(b)) is amended by adding at the end the following new paragraph:

"(4) LIMITATION ON PORTABILITY.—Notwithstanding section 8(o), a participating family receiving assistance under section 8 in connection with a local self-sufficiency program may not use such assistance for any dwelling unit that is not located within the area of jurisdiction of the public housing agency carrying out such program."

(f) CONTRACT OF PARTICIPATION.—Section 23(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(1)) is amended—

(1) in the second sentence, by inserting after "program" the following: "shall establish specific interim and final goals by which compliance with and performance of the contract may be measured (which may not include requiring the participating family to refuse Federal, State, or local housing assistance as a condition of withdrawing amounts in an escrow savings account established under subsection (d)(3))"; and

(2) by striking the last sentence and inserting the following new sentence: "The contract shall provide that the public housing agency may terminate or withhold assistance under section 8 and services under paragraph (2) of this subsection if the public housing agency determines, through an administrative grievance procedure in accordance with the requirements of section 6(k), that the family has failed to comply with the requirements of the contract without good cause."

(g) SUPPORTIVE SERVICES.—The first sentence of section 23(c)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(2)) is amended by striking "to each participating family" the second place it appears.

(h) INCENTIVES FOR PARTICIPATION.—Section 23(d) of the United States Housing Act of 1937 (42 U.S.C. 1437u(d)) is amended—

(1) by striking "MAXIMUM RENTS AND ESCROW SAVINGS ACCOUNTS—" and inserting "INCENTIVES FOR PARTICIPATION—";

(2) in paragraph (1)—

(A) in the first sentence—

(i) by inserting "the public housing agency may provide that" after the first comma; and

(ii) by striking "may not be" and inserting "is not";

(B) in the second sentence, by striking "The Secretary shall provide" and inserting "If the public housing agency limits rents under the first sentence of this paragraph, the agency shall provide (A)"; and

(C) by striking "Upon" and inserting "(as determined by the Secretary), and (B) that upon";

(3) in paragraph (2)—

(A) in the first sentence, by striking "For" and inserting "If, and only if, the public housing agency limits rents under paragraph (1), for";

(B) in the second sentence—

(i) by striking "For" and inserting "With respect only to such agencies, for"; and

(ii) by striking "paragraph (1)" and inserting "paragraph (2)"; and

(C) by striking the last sentence and inserting the following new sentences: "Any amounts in an escrow account established under this paragraph shall be available to the participating family upon successful performance of the obligations of the family under the contract of participation entered into by the family under subsection (c), as determined according to the specific goals and terms included in the contract. A public housing agency establishing such escrow accounts may make certain amounts in the accounts available to the participating families before full performance of the contract obligations based on compliance with, and completion of, specific interim goals included in the contract, partial performance of the contract, or otherwise, as the agency determines is appropriate; except that any such amounts shall be used by the participating families for purposes consistent with the contracts of participation, as determined by the public housing agency."

(4) by redesignating paragraphs (1) and (2) (as amended by this subsection) as paragraphs (2) and (3), respectively; and

(5) by inserting before paragraph (2) (as so redesignated by paragraph (4) of this subsection) the following new paragraph:

"(1) PLAN.—Each public housing agency carrying out a local program under this section shall establish a plan to offer incentives to families to encourage families to participate in the program. The plan may require limitations on the rent of participating families and the establishment of escrow savings accounts as provided under paragraphs (2) and (3) and may include any other incentives designed by the public housing agency in addition to the incentives under such paragraphs."

(i) ACTION PLAN.—Section 23(g)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437u(g)(3)) is amended—

(1) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph:

"(D) a description of the incentives pursuant to subsection (d) offered by the public housing agency to families to encourage participation in the program";

(j) APPLICABILITY TO INDIAN HOUSING AUTHORITIES.—Section 23(o)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437u(o)(2)) is amended—

(1) by inserting "low-income housing and" before "public housing";

(2) by inserting "assisted," after "developed"; and

(3) by inserting before the period at the end of the following: "but only if and to the extent that the Indian housing authority, in the discretion of the authority, determines that this section shall apply";

(k) REPEAL OF INCENTIVE AWARD ALLOCATION.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(1) by striking subsection (i); and

(2) by redesignating subsections (j) through (o) (as amended by this section) as subsections (i) through (n), respectively.

(l) APPLICABILITY.—The amendments made by this section shall apply with respect to fiscal year 1993 and thereafter.

**Subtitle B—Public and Indian Housing****SEC. 111. MAJOR RECONSTRUCTION OF OBSOLETE PROJECTS.**

(a) **IN GENERAL.**—Section 5(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(2)) is amended to read as follows:

"(2)(A) Notwithstanding any other provision of law, the Secretary may reserve not more than 20 percent of any amounts appropriated for development of public housing in each fiscal year for the substantial redesign, reconstruction, or redevelopment of existing obsolete public housing projects or buildings and for the costs of improving the management and operation of projects undergoing redesign, reconstruction, or redevelopment under this paragraph (to the extent that such improvement is necessary to maintain the physical improvements resulting from such redesign, reconstruction, or redevelopment).

"(B) For purposes of this paragraph, the term 'obsolete public housing project or building' means a public housing project or building (i) having design or marketability problems resulting in vacancy in more than 25 percent of the units, or (ii)(1) for which the costs for redesign, reconstruction, or redevelopment (including any costs for lead-based paint abatement activities) exceed 70 percent of the total development cost limits for new construction of similar units in the area and (II) which has an occupancy density or a building height that is significantly in excess of that which prevails in the neighborhood in which the project is located, a bedroom configuration that could be altered to better serve the needs of families seeking occupancy to dwellings of the public housing agency, significant security problems in and around the project, or significant physical deterioration or inefficient energy and utility systems.

"(C) The Secretary shall allocate amounts reserved under this section to public housing agencies on the basis of a competition among public housing agencies applying for such amounts. The competition shall be based on—

"(i) the management capability of the public housing agency to carry out the redesign, reconstruction, or redevelopment;

"(ii) the expected term of the useful life of the project or building after redesign, reconstruction or redevelopment; and

"(iii) the likelihood of achieving full occupancy within the projects or buildings of the agency that are to be assisted under this paragraph.

"(D) The Secretary shall establish limitations on the total costs of any project or building receiving amounts under this paragraph for redesign, reconstruction, and redevelopment. The cost limitations shall not be related to the total development cost system for new development or to the cost limits for modernization and shall recognize the higher direct costs of such work.

"(E) Assistance may not be provided under this paragraph for any project or building assisted under section 14."

**(b) MODERNIZATION AND DISPOSITION REQUIREMENTS.**

(1) **MODERNIZATION.**—Section 14(c) of the United States Housing Act of 1937 (42 U.S.C. 1437l(c)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by inserting "buildings of" after "for"; and

(ii) by striking "which";

(B) in each of paragraphs (1), (2), (3), and (4), by inserting "which projects" after the paragraph designation;

(C) in paragraph (3), by striking "and" at the end;

(D) by redesignating paragraph (4) as paragraph (5); and

(E) by inserting after paragraph (3) the following new paragraph:

"(4) which buildings are not assisted under section 5(j)(2); and"

(2) **DEMOLITION AND DISPOSITION.**—Section 18(a) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)) is amended—

(A) in paragraph (1), by striking "or" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "or"; and

(C) by adding at the end the following new paragraph:

"(3) in the case of an application proposing demolition or disposition of any portion of a public housing project, assisted at any time under section 5(j)(2)—

"(A) such assistance has not been provided for the portion of the project to be demolished or disposed within the 10-year period ending upon submission of the application; or

"(B) the property's retention is not in the best interest of the tenants or the public housing agency because of extraordinary changes in the area surrounding the project or other extraordinary circumstances of the project."

(c) **REGULATIONS.**—The Secretary shall issue regulations necessary to carry out the amendments made by this section as provided under section 191 of this Act. Notwithstanding sections 583(a) and 585(a) of title 5, United States Code (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), the regulations shall be issued pursuant to a negotiated rulemaking procedure under subchapter IV of chapter 5 of such title (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

**SEC. 112. PUBLIC HOUSING TENANT PREFERENCES.**

Section 6(c)(4)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)(i)) is amended by inserting before the semicolon at the end the following: "; subject to the additional requirement that, in the case of any project of more than 25 units, such tenant selection criteria shall give preference to such families for not less than 50 percent of the units in such project that are made available for occupancy in a given year".

**SEC. 113. PUBLIC HOUSING OPERATING SUBSIDIES.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 9(c) of the United States Housing Act of 1937 (42 U.S.C. 1437g(c)) is amended to read as follows:

"(c)(1) There is authorized to be appropriated for purposes of providing annual contributions under this section \$2,169,440,000 for fiscal year 1993.

"(2) There is also authorized to be appropriated to provide annual contributions under this section, in addition to amounts under paragraph (1), such sums as may be necessary for fiscal year 1993 to provide each public housing agency with the difference between (A) the amount provided to the agency from amounts appropriated pursuant to paragraph (1), and (B) all funds for which the agency is eligible under the performance funding system without adjustments for estimated or unrealized savings.

"(3) In addition to amounts under paragraphs (1) and (2), there is authorized to be appropriated for annual contributions under this section to provide for the costs of the adjustments to income and adjusted income under the amendments made by sections 573(b) and (c) of the Cranston-Gonzalez National Affordable Housing Act such sums as may be necessary for fiscal year 1993."

(b) **ADJUSTMENT OF PERFORMANCE FUNDING SYSTEM.**—Section 9(a)(3)(A) is amended by inserting after the period at the end the following new sentence: "Notwithstanding sections 583(a)

and 585(a) of title 5, United States Code (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), any proposed regulation providing for amendment, alteration, adjustment, or other change to the performance funding system relating to vacant public housing units shall be issued pursuant to a negotiated rulemaking procedure under subchapter IV of chapter 5 of such title (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations."

**SEC. 114. PUBLIC HOUSING VACANCY REDUCTION.**

(a) **FUNDING.**—Section 14(p)(5) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(5)) is amended to read as follows:

"(5) Of any amounts available under this section after amounts are reserved pursuant to subsection (k)(1), an amount equal to 9 percent of such remaining funds shall be available in fiscal year 1993 for carrying out this section."

(b) **AVAILABILITY OF ASSISTANCE.**—Section 14(p)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(4)) is amended by striking the first comma and all that follows through the second comma and inserting ", subject to the availability of amounts under paragraph (5)."

(c) **USE OF AMOUNTS FOR ASSESSMENT TEAMS.**—Section 14(p)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(3)) is amended by adding at the end the following new subparagraph:

"(D) The Secretary may use amounts made available under paragraph (5) for any travel and administrative expenses of assessment teams under this paragraph."

(d) **ASSESSMENT TEAM.**—The second sentence of section 14(p)(3)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(3)(A)) is amended—

(1) by striking "and" after "Development" and inserting a comma; and

(2) by striking "who" and inserting "and officials of the public housing agency, all of whom".

(e) **TECHNICAL CORRECTIONS.**—Section 14(p)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437l(p)(2)) is amended—

(1) in clause (D), by striking "modernization, reconstruction" and inserting "comprehensive modernization, major reconstruction"; and

(2) in clause (E), by striking "the modernization" and inserting "the comprehensive modernization".

**SEC. 115. PUBLIC HOUSING DEMOLITION AND DISPOSITION.**

Section 18(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437g(b)(1)) is amended by inserting "of the project or portion of the project covered by the application" after "tenant cooperative".

**SEC. 116. PUBLIC HOUSING RESIDENT MANAGEMENT.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 20(f)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437r(f)(3)) is amended to read as follows:

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993."

(b) **MANAGEMENT INDICATORS AND REPORT.**—Section 20(g) of the United States Housing Act of 1937 (42 U.S.C. 1437r(g)) is amended to read as follows:

"(g) **MANAGEMENT INDICATORS AND REPORT.**—(1) **INDICATORS.**—Not later than the expiration of the 12-month period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall develop and publish in the Federal Register indicators and procedures by which to as-



sess the management performance of resident management corporations under this Act. The Secretary shall use such indicators and procedures to evaluate such performance. The indicators developed under this paragraph and any enforcement procedures shall, to the extent practicable, be based on the indicators and procedures developed under section 6(j) for assessing the performance of public housing agencies.

"(2) **REPORTS.**—The Secretary shall annually submit a report to the Congress containing any findings of the Secretary as a result of evaluating and assessing the performance of resident management corporations under this Act and any recommendations of the Secretary with respect to such findings."

#### SEC. 117. PUBLIC HOUSING HOMEOWNERSHIP.

(a) **HOMEOWNERSHIP ASSISTANCE.**—Section 21(a)(2)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437s(a)(2)(C)) is amended—

(1) in the first sentence, by striking "the effective date of the regulations implementing title III of this Act" and inserting "February 4, 1991"; and

(2) in the second sentence—  
(A) by striking "effective"; and  
(B) by striking "such Act" and inserting "the Cranston-Gonzalez National Affordable Housing Act".

(b) **CONDITIONS OF PURCHASE.**—Section 21(a)(3)(C) of the United States Housing Act of 1937 (42 U.S.C. 1437s(a)(3)(C)) is amended—

(1) in the first sentence, by striking "the effective date of the regulations implementing title III of this Act" and inserting "February 4, 1991"; and

(2) in the second sentence—  
(A) by striking "effective"; and  
(B) by striking "such title" and inserting "the Cranston-Gonzalez National Affordable Housing Act".

#### SEC. 118. PUBLIC HOUSING FAMILY INVESTMENT CENTERS.

Section 22(k) of the United States Housing Act of 1937 (42 U.S.C. 1437(k)) is amended to read as follows:

"(k) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$27,144,000 for fiscal year 1993."

#### SEC. 119. PUBLIC HOUSING EARLY CHILDHOOD DEVELOPMENT SERVICES.

Section 22(g) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z-6 note) is amended to read as follows:

"(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$21,736,000 for fiscal year 1993. Any amount appropriated pursuant to this subsection shall remain available until expended."

#### SEC. 120. INDIAN HOUSING CHILDHOOD DEVELOPMENT SERVICES.

(a) **FUNDING.**—Section 518(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note) is amended by striking the subsection designation and all that follows through the end of the first sentence and inserting the following:

"(a) **FUNDING.**—Of any amounts appropriated under section 222(g) of the Housing and Urban-Rural Recovery Act of 1983, such sums as may be necessary may be used to carry out the demonstration program under this section."

(b) **ELIGIBLE RECIPIENTS.**—The second sentence of section 518(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note) is amended—

(1) by inserting ", Indian housing authorities, and Indian tribes" after "nonprofit organizations"; and

(2) by inserting ", housing authorities, and tribes" after "such organizations".

#### SEC. 121. EXEMPTION OF INDIAN HOUSING PROGRAM FROM NEW CONSTRUCTION LIMITATION.

Section 201(c) of the United States Housing Act of 1937 (42 U.S.C. 1437aa(c)) is amended by

inserting before the period at the end the following: "or section 6(h) of the United States Housing Act of 1937 (relating to a limitation on contracts involving new construction)".

#### SEC. 122. PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.

Section 521(g) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437i note) is amended to read as follows:

"(g) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for carrying out the demonstration program under this section such sums as may be necessary for fiscal year 1993."

#### SEC. 123. NATIONAL COMMISSION ON DISTRESSED PUBLIC HOUSING.

(a) **TERMINATION.**—Section 507 of the Department of Housing and Urban Development Reform Act of 1989 (12 U.S.C. 1715z-1a note) is amended by striking "upon the expiration of 18 months following the appointment of all the members under section 503(a)" and inserting "at the end of September 30, 1992".

(b) **AUDIT.**—Not later than November 30, 1992, the Comptroller General of the United States shall conduct an audit of the financial transactions of the National Commission on Distressed Public Housing to determine the use of any amounts received by the Commission from the Federal Government before October 1, 1992, and shall submit a report to the Congress regarding the results of the audit. The Comptroller General and any duly authorized representatives of the Comptroller General shall have access to, and the right to examine and copy, all records and other recorded information in any form, and to examine any property, within the possession and control of the Commission that the Comptroller General considers relevant to the audit.

#### SEC. 124. NATIONAL COMMISSION ON AMERICAN INDIAN, ALASKA NATIVE, AND NATIVE HAWAIIAN HOUSING.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—The first sentence of section 605 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 1437aa note) is amended to read as follows: "There are authorized to be appropriated to carry out this title such sums as may be necessary for fiscal year 1993."

(b) **EXTENSION OF TERMINATION DATE.**—Section 602(g) of the Department of Housing and Urban Development Reform Act of 1989 (12 U.S.C. 1437aa note) is amended by striking "upon the expiration of 18 months after all members of the Commission are appointed under paragraph (1)" and inserting "on October 1, 1993".

#### SEC. 125. PUBLIC HOUSING HOMEOWNERSHIP DEMONSTRATION.

(a) **ESTABLISHMENT.**—The Secretary of Housing and Urban Development shall carry out a program to facilitate self-sufficiency and homeownership of single-family homes administered by the Housing Authority of the City of Omaha, in the State of Nebraska (in this section referred to as the "Housing Authority"), to demonstrate the effectiveness of promoting homeownership and providing support services.

(b) **PARTICIPATING PUBLIC HOUSING UNITS.**—For purposes of the demonstration program, the Secretary shall authorize the Housing Authority to designate single-family housing units for eventual homeownership. Over the term of the demonstration, the demonstration program may be applied to not more than 20 percent of the total number of public housing units administered by the Housing Authority.

(c) **NONDISPLACEMENT.**—No person who is a tenant of public housing may be involuntarily relocated or displaced as a result of the demonstration program.

(d) **ECONOMIC SELF-SUFFICIENCY.**—The Housing Authority shall establish criteria for partici-

pation of families in the demonstration program. Such criteria shall be based on factors that may reasonably be expected to predict the individual's ability to successfully complete the requirements of the demonstration program and shall include evidence of interest by the family in homeownership, the status and history of employment of family members, maintenance by the family of the family's previous dwelling.

(e) **PROVISION OF SUPPORTIVE SERVICES.**—The Housing Authority shall ensure the availability of supportive services to each family participating in the demonstration program through its own resources and through coordination with Federal, State, and local agencies and private entities. Supportive services available under the demonstration program may include counseling, remedial education, education for completion of high school, job training and preparation, financial counseling services emphasizing planning for homeownership, and any other appropriate services.

(f) **REPORTS TO CONGRESS.**—Upon expiration of each 2-year period during the term of the demonstration program (the first such period beginning on the date of the enactment of this Act), the Secretary of Housing and Urban Development shall submit to the Congress a report evaluating the effectiveness of the demonstration program. Not later than the expiration of the 60-day period beginning on the date of the termination of the demonstration program, the Secretary shall submit to the Congress a final report evaluating the effectiveness of the demonstration program. The report shall include findings and recommendations for any legislative action appropriate to establish a permanent program based on the demonstration program.

(g) **REGULATIONS.**—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary shall issue interim regulations to carry out this section, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

(h) **TERMINATION.**—The demonstration program shall terminate upon the expiration of the 10-year period beginning on the date of the enactment of this Act.

#### SEC. 126. SALE OF CERTAIN SCATTERED-SITE HOUSING.

The Secretary of Housing and Urban Development shall authorize the Delaware State Housing Authority in the State of Delaware to sell scattered-site public housing of the authority under the provisions of section 5(h) of the United States Housing Act of 1937. Any proceeds from the disposition of such housing shall be used to purchase replacement scattered site dwellings, which shall be considered public housing for the purposes of such Act and for which the Secretary shall provide annual contributions for operation, using any amounts made available under section 9(c).

#### Subtitle C—Section 8 Assistance

#### SEC. 141. RESTATEMENT AND REVISION OF SECTION 8 RENTAL ASSISTANCE PROGRAM.

(a) **IN GENERAL.**—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended to read as follows:

"RENTAL HOUSING ASSISTANCE FOR LOW-INCOME FAMILIES

"SEC. 8. (a) **AUTHORITY AND PURPOSE.**—

"(1) **IN GENERAL.**—For the purposes of aiding low-income families in obtaining a decent place to live and promoting economically mixed housing, the Secretary may provide assistance payments with respect to existing housing in accordance with the provisions of this section.

"(2) **ELDERLY HOUSING.**—Notwithstanding any other provision of this Act, assistance payments under this section may be provided, in accordance with regulations prescribed by the Secretary, with respect to some or all of the units in any project approved pursuant to section 202 of the Housing Act of 1959 (as in effect before October 1, 1991).

**"(b) ANNUAL CONTRIBUTIONS CONTRACTS FOR RENTAL ASSISTANCE.**—

"(1) **IN GENERAL.**—The Secretary may enter into annual contributions contracts under this subsection with public housing agencies to provide rental housing assistance under this section for low-income families. The Secretary shall enter into a separate annual contributions contract with each public housing agency to obligate the authority approved each year. Each such annual contributions contract shall bind the Secretary to make such authority, and any amendments increasing such authority, available to the public housing agency for a specified period.

"(2) **SECRETARY ACTING AS PHA.**—In areas where no public housing agency has been organized or where the Secretary determines that a public housing agency is unable to implement the provisions of this section, the Secretary may enter into such contracts and perform the other functions assigned to a public housing agency by this section.

**"(c) ASSISTANCE CONTRACTS.**—

"(1) **IN GENERAL.**—Each public housing agency that receives amounts under an annual contributions contract may enter into assistance contracts to make rental assistance payments to owners of existing dwelling units in accordance with the provisions of this section.

"(2) **PHA ACTING AS OWNER.**—A public housing agency may contract to make rental assistance payments under this section to itself (or any agency or instrumentality thereof) as the owner of dwelling units, but only if the agency is subject to the same program requirements as are applied to other owners. In such cases, the Secretary may establish initial rents within applicable limits.

"(3) **INAPPLICABLE PROVISIONS.**—Sections 5(e) and 6 and any other provisions of this Act that are inconsistent with the provisions of this section shall not apply to assistance contracts entered into pursuant to this section.

**"(d) MAXIMUM MONTHLY RENT.**—

"(1) **IN GENERAL.**—Each assistance contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) that the owner is entitled to receive for each dwelling unit for which rental assistance payments are to be made under the contract. Except as provided in paragraph (2), the maximum monthly rent shall not exceed by more than 10 percent the fair market rental under subsection (e) for the market area in which the dwelling unit is located. If units assisted under this section are exempt from local rent control while they are so assisted or otherwise, the maximum monthly rent for such units shall be reasonable in comparison with other units in the market area that are exempt from local rent control.

"(2) **EXCEPTIONS.**—The maximum monthly rent may exceed the fair market rental—

"(A) by more than 10 but not more than 20 percent, only if the Secretary determines that special circumstances warrant such higher maximum rent or that such higher rent is necessary to the implementation of a housing strategy

under section 105 of the Cranston-Gonzalez National Affordable Housing Act; or

"(B) by such higher amount, only if requested by the low-income family assisted and approved by the public housing agency in accordance with subsection (f)(2).

"(3) **ANNUAL ADJUSTMENTS.**—Each assistance contract shall provide for adjustment in the maximum monthly rents for units covered by the contract not less than annually to reflect changes in the fair market rentals established under subsection (e) for the housing area for similar types and sizes of dwelling units or, if the Secretary determines, on the basis of a reasonable formula.

"(4) **ADJUSTMENTS DUE TO EXPENSES.**—Each assistance contract shall further provide for the Secretary to make additional adjustments in the maximum monthly rent for units assisted under the contract to the extent the Secretary determines such adjustments are necessary to reflect increases in the actual and necessary expenses of owning and maintaining the units that have resulted from substantial general increases in real property taxes, utility rates, or similar costs that are not adequately compensated for by the adjustment in the maximum monthly rent authorized by paragraph (3).

"(5) **ADJUSTMENTS DUE TO DRUG-RELATED CRIMINAL ACTIVITY.**—If the Secretary determines that a project assisted under this section is located in a community where drug-related criminal activity is generally prevalent and the operating, maintenance, and capital repair expenses for the project have been substantially increased primarily as a result of the prevalence of such activity, the Secretary may (at the discretion of the Secretary and subject to the availability of appropriations for contract amendments for this purpose), on a project-by-project basis, provide adjustments to the maximum monthly rents, to a level not exceeding 120 percent of the project rents, to cover the costs of maintenance, security, capital repairs, and reserves required for the owner to carry out a strategy acceptable to the Secretary for addressing the problem of drug-related criminal activity. The Secretary may waive the applicability of any rent comparability standard required under this subsection to implement this paragraph.

**"(6) LIMITATIONS ON ADJUSTMENTS.**—

"(A) **GENERAL COMPARABILITY RULE.**—Adjustments in the maximum rents under paragraphs (3), (4), and (5) shall not result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, as determined by the Secretary.

**"(B) COMPARABILITY STUDIES.**—

"(i) To carry out subparagraph (A), the Secretary shall issue regulations to provide for conducting comparability studies for projects where the Secretary has reason to believe that the application of the formula adjustments under paragraph (3) would result in such material differences. The Secretary shall conduct such studies upon the request of any owner of any project, or as the Secretary determines to be appropriate by establishing, to the extent practicable, a modified annual adjustment factor for such market area, as the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under paragraph (3). The Secretary shall establish such modified annual adjustment factor on the basis of the results of a study conducted by the Secretary of the rents charged, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality, type, and age in the smaller market area. Where the Secretary determines that such modified annual adjustment factor cannot be established or that such factor when applied to a particular

project would result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, the Secretary may apply an alternative methodology for conducting comparability studies in order to establish rents that are not materially different from rents charged for comparable unassisted units.

"(ii) If the Secretary or appropriate State agency does not complete and submit to the project owner a comparability study not later than 60 days before the anniversary date of the assistance contract under this section, the automatic annual adjustment factor shall be applied. The Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under this section (including projects assisted under this section as in effect prior to November 30, 1983), unless the project has been refinanced in a manner that reduces the periodic payments of the owner. Any maximum monthly rent that has been reduced by the Secretary after April 14, 1987, and prior to November 7, 1988, shall be restored to the maximum monthly rent in effect on April 15, 1987.

"(iii) For any project which has had its maximum monthly rents reduced after April 14, 1987, the Secretary shall make assistance payments (from amounts reserved for the original contract) to the owner of such project in an amount equal to the difference between the maximum monthly rents in effect on April 15, 1987, and the reduced maximum monthly rents, multiplied by the number of months that the reduced maximum monthly rents were in effect.

**"(e) FAIR MARKET RENTALS.**—

"(1) **IN GENERAL.**—The Secretary shall establish fair market rentals under this subsection periodically, but not less than annually, for existing rental dwelling units suitable for occupancy by low-income families assisted under this section. The Secretary shall establish the fair market rental by market area for various sizes and types of dwelling units.

"(2) **EFFECTIVENESS AND ADJUSTMENT.**—The Secretary shall publish proposed fair market rentals for each area in the Federal Register with reasonable time for public comment, and such fair market rentals shall become effective upon the date of publication in final form in the Federal Register. Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by families assisted under this section.

"(3) **CERTAIN AREAS.**—The Secretary shall establish separate fair market rentals under this subsection for Westchester County in the State of New York. The Secretary shall also establish separate fair market rentals under this paragraph for Monroe County in the Commonwealth of Pennsylvania. In establishing fair market rentals for the remaining portion of the market areas in which Monroe County is located, the Secretary shall establish the fair market rentals as if such portion included Monroe County.

**"(f) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.**—

"(1) **IN GENERAL.**—The amount of the monthly assistance payment under this section with respect to any dwelling unit shall be the difference between the maximum monthly rent that the contract provides that the owner is to receive for the unit and the rent the family is required to pay under section 3(a).

**"(2) INCREASED FAMILY PAYMENT.**—

"(A) **REQUIREMENTS.**—A family on behalf of whom tenant-based assistance payments are



made under this section may pay as rent for a dwelling unit assisted under this section more than the amount specified under section 3(a), but only if—

"(i) the family notifies the public housing agency of its interest in a unit renting for an amount which exceeds the permissible maximum monthly rent established for the market area under subsection (d);

"(ii) such agency determines that the rent for the unit and the rental payments of the family are reasonable, after taking into account other family expenses (including child care, unreimbursed medical expenses, transportation, and other appropriate family expenses); and

"(iii) such amount does not exceed 40 percent of the family's monthly adjusted income.

"(B) LIMITATION AND REPORTS BY PHA'S.—For any fiscal year, a public housing agency may not approve excess rentals under this paragraph with respect to more than 50 percent of the tenant-based rental assistance allocated under this section for the public housing agency for the year. Any public housing agency that, in any fiscal year, approves such excess rentals for more than 5 percent of its total allocation of tenant-based rental assistance shall submit a report to the Secretary not later than 30 days after the end of the fiscal year. The report shall be submitted in such form and in accordance with such procedures as the Secretary shall establish and shall describe the public housing agency's reasons for making the exceptions, including any available evidence that the exceptions were made necessary by problems with the fair market rental established for the area. The Secretary shall ensure that each report submitted under this subparagraph is readily available for public inspection for a period of not less than 3 years, beginning not less than 30 days after the date on which the report is submitted to the Secretary.

"(C) ANNUAL REPORT BY SECRETARY.—The Secretary shall, not later than 3 months after the end of each fiscal year, submit a report to Congress that identifies the public housing agencies that have submitted reports for such fiscal year under subparagraph (B), summarizes and assesses such reports, and includes recommendations for such legislative or administrative actions that the Secretary considers appropriate to correct problems identified in such reports.

"(3) INCREASES IN ASSISTANCE PAYMENTS.—The Secretary shall take any action necessary, including making contracts for assistance payments in amounts exceeding the amounts required upon the initial renting of dwelling units, reserving annual contributions authority for the purpose of amending assistance contracts, or allocating a portion of new authorizations for the purpose of amending assistance contracts, to ensure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes.

"(4) REVIEWS OF FAMILY INCOMES.—Reviews of family incomes for purposes of this section shall be made no less frequently than annually. The Secretary shall establish procedures which are appropriate and necessary to ensure that income data provided to public housing agencies and owners by families applying for or receiving assistance under this section is complete and accurate. In establishing such procedures, the Secretary shall annually select a random sample of families to authorize the Secretary to obtain information on the families for the purpose of income verification, or to allow the families to provide such information themselves. Such information may include data concerning unemployment compensation and Federal income taxation and data relating to benefits made available under the Social Security Act, the Food Stamp

Act of 1977, or title 38, United States Code. Any such information received pursuant to this paragraph shall remain confidential and shall be used only for the purpose of verifying incomes in order to determine eligibility of families for benefits (and the amount of such benefits, if any) under this section.

"(g) ELIGIBILITY OF UNITS FOR ASSISTANCE.—

"(1) OCCUPANCY.—Each assistance contract shall provide that assistance payments may be made only with respect to the following dwelling units:

"(A) OCCUPIED UNITS.—A dwelling unit under lease for occupancy by a family determined to be a low-income family at the time it initially occupies the dwelling unit.

"(B) UNOCCUPIED UNITS.—An unoccupied dwelling unit, but only if (i) a family vacates the dwelling unit before the expiration date of the lease for occupancy, or (ii) a good faith effort is being made to fill the unoccupied unit. Payments for units referred to in this subparagraph may be made only for a period not exceeding 60 days, except that such payments may be made, in the case of a newly constructed or substantially rehabilitated project, after the expiration of such 60-day period in an amount equal to the debt service attributable to such an unoccupied dwelling unit for a period not to exceed one year, if a good faith effort is being made to fill the unit and the unit provides decent, safe, and sanitary housing. No such payment may be made after the expiration of such 60-day period if the Secretary determines that the dwelling unit is in a project which provides the owner with revenues exceeding the costs incurred by such owner with respect to such project.

"(2) NUMBER OF ASSISTED UNITS PER STRUCTURE.—Assistance payments may be made with respect to up to 100 percent of the dwelling units in any structure upon the application of the owner or prospective owner. Among projects that apply for project-based assistance containing more than 50 units and designed for use primarily for nonelderly and nonhandicapped persons which are not subject to mortgages purchased under section 305 of the National Housing Act, the Secretary may give preference to applications for assistance involving not more than 20 percent of the dwelling units in a project. In according any such preference, the Secretary shall compare applications received during distinct time periods not exceeding 60 days in duration.

"(h) OTHER PROVISIONS OF ASSISTANCE CONTRACTS.—Contracts to make assistance payments entered into by any public housing agency (or by the Secretary) with an owner of existing housing units shall meet the following requirements:

"(1) CONTRACT TERM.—Each assistance contract shall have a term of not less than one month nor more than 180 months. The Secretary shall permit public housing agencies to enter into assistance contracts having terms of less than 12 months to the extent necessary to avoid disruption in assistance to eligible families if the annual contributions contract for the agency under subsection (b) will expire within one year.

"(2) TENANT SELECTION.—Each assistance contract shall provide that the selection of tenants for such dwelling units shall be the function of the owner, subject to any provisions of the annual contributions contract between the Secretary and the agency. The owner shall use tenant selection criteria, which shall provide as follows:

"(A) PRIMARY PREFERENCES.—For (i) not less than 70 percent of the families who initially receive project-based assistance, and (ii) not less than 90 percent of the families who initially receive tenant-based assistance in any 1-year period, the criteria shall give preference to families

that (I) occupy substandard housing (including families that are homeless or living in a shelter for homeless families), (II) are paying more than 50 percent of family income for rent, (III) are involuntarily displaced at the time they are seeking assistance under this section, or (IV) are residing in public housing.

"(B) SECONDARY PREFERENCES.—For any remaining assistance in any 1-year period, the criteria shall give preference to families who qualify under a system of local preferences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities, which may include (i) assisting very low-income families who either reside in transitional housing assisted under title IV of the Stewart B. McKinney Homeless Assistance Act or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities; (ii) assisting families in accordance with subsection (g)(1)(B); (iii) assisting families identified by local public agencies involved in providing for the welfare of children as having a lack of adequate housing that is a primary factor in the imminent placement of a child in foster care, or in preventing the discharge of a child from foster care and reunification with his or her family; (iv) assisting youth, upon discharge from foster care, in cases in which return to the family or extended family or adoption is not available; and (v) achieving other objectives of national housing policy as established by law.

"(C) PROHIBITION OF PERSONS ENGAGED IN DRUG ACTIVITY.—The criteria shall prohibit any individual or family evicted from housing assisted under this Act by reason of drug-related criminal activity from having a preference under any provision of this paragraph for 3 years unless the evicted tenant successfully completes a rehabilitation program approved by the agency or owner. The agency or the owner may waive the application of the preceding sentence under standards established by the Secretary, which shall provide for such waiver for any member of a family of an individual prohibited from tenancy under this subparagraph who the agency or owner determines clearly did not participate in and had no knowledge of such criminal activity or when circumstances leading to eviction no longer exist.

"(D) OTHER REQUIREMENTS.—With respect only to project-based assistance, the criteria shall—

"(i) be consistent with the purpose of improving housing opportunities for very low-income families;

"(ii) be reasonably related to program eligibility and an applicant's ability to perform the obligations of the assisted lease;

"(iii) be established in writing; and

"(iv) provide for the owner to promptly provide to any rejected applicant (I) written notice of the grounds for the rejection, and (II) an opportunity to meet with the decision maker to evaluate the validity of the reasons for rejection and rectify any erroneous decisions.

"(3) LEASE TERM.—Each assistance contract shall provide that the lease between the tenant of any unit and the owner shall be for at least one year or the term of such assistance contract, whichever is shorter, and shall contain other terms and conditions specified by the Secretary.

"(4) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each assistance contract shall provide that the owner shall not terminate the tenancy of the tenant of any unit except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause.

"(5) TERMINATION FOR CRIMINAL ACTIVITY.—Each assistance contract shall provide that any criminal activity that threatens the health, safe-

ty, or right to peaceful enjoyment of the premises by other tenants, any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on or near such premises, engaged in by a tenant of any unit, any member of the tenant's household, or any guest or other person under the tenant's control, shall be cause for termination of tenancy.

"(6) NOTICE OF TERMINATION OF TENANCY.—The contract shall provide that before terminating the tenancy of any tenant, the owner shall provide written notice to the tenant specifying the legal and factual grounds for such action. Such notice shall be provided to the tenant not less than 30 days before termination, except that in cases of termination for nonpayment of rent such notice shall be provided not less than 14 days before termination.

"(7) MAINTENANCE AND REPLACEMENT.—Each assistance contract shall provide that maintenance and replacement (including redecoration) shall be performed in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency (or the Secretary). With the approval of the Secretary, the public housing agency administering a contract under this section with respect to existing housing units may exercise all management and maintenance responsibilities with respect to the units pursuant to a contract between such agency and the owner of such units. Each assistance contract shall also provide that, if the agency (or the Secretary) determines that an unit assisted under this section fails to comply in any material respect with standards for housing quality for units so assisted, the agency (or the Secretary) may withhold some or all of the assistance amounts under this section with respect to such unit and promptly—

"(A) use such amounts to make necessary repairs or contract to have such repairs made;

"(B) release any withheld amounts to the owner after repairs are made by the owner, in an amount not exceeding the cost of the repairs;

"(C) release any withheld amounts to the applicable State or local housing agency after repairs are made by such agency, in an amount not exceeding the cost of the repairs; or

"(D) upon the request of the tenant, release any withheld amounts to—

"(i) the tenant to reimburse the tenant for the reasonable cost of any necessary repairs performed or paid for by the tenant; or

"(ii) such person secured by the tenant and approved by the agency (or the Secretary) to make such necessary repairs.

If an agency (or the Secretary) withholds any assistance amounts pursuant to the preceding sentence, the agency (or the Secretary) may not terminate the assistance contract unless and until the tenant has relocated to decent, safe, and sanitary housing.

"(8) OTHER.—Each assistance contract shall provide that the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by the agency and owner.

"(i) PROJECT-BASED ASSISTANCE.—

"(1) AUTHORITY.—Pursuant to an annual contributions contract entered into under subsection (b), a public housing agency may enter into a assistance contract providing for assistance payments under this section that are attached to a structure, with the permission of the Secretary.

"(2) LIMITATION ON AMOUNT OF PROJECT-BASED ASSISTANCE.—

"(A) IN GENERAL.—The Secretary shall permit a public housing agency to approve project-based assistance under this subsection with re-

spect to not more than 15 percent of the assistance provided by the public housing agency if the owner agrees to rehabilitate the structure other than with assistance under this Act and the owner otherwise complies with the requirements of this section.

"(B) INCREASED AMOUNT.—A public housing agency and an applicable State agency may, on a priority basis, provide project-based assistance with respect to not more than 30 percent of the assistance provided by the public housing agency or the applicable State agency, but only if—

"(i) the Secretary approves such action and the owner otherwise complies with the requirements of this section; and

"(ii) any amount of project-based assistance provided in excess of the amount permitted under subparagraph (A)—

"(I) is attached to projects assisted under a State program that permits the owner of the projects to prepay a State assisted or subsidized mortgage on the structure;

"(II) is attached for the purpose of providing incentives to owners to preserve such projects for occupancy by lower- and moderate-income families (for the period that assistance under this subparagraph is available) and assisting lower-income tenants to afford any increases in rent that may be required to induce the owner to maintain occupancy in the project by lower and moderate income tenants.

Any assistance provided to lower-income tenants under this subparagraph shall not be considered for purposes of the limitation under subsection (h)(2) regarding the percentage of families that may receive assistance under this section who do not qualify for preferences under such subsection.

"(3) NEW STRUCTURES.—The Secretary shall permit any public housing agency to approve project-based assistance under this subsection that is attached to any newly constructed structure if—

"(A) the owner or prospective owner agrees to construct the structure other than with assistance under this Act and otherwise complies with the requirements of this section; and

"(B) the aggregate project-based assistance provided by the public housing agency pursuant to this paragraph and paragraph (2)(B) does not exceed 15 percent of the assistance provided by the public housing agency.

"(4) LONG-TERM AFFORDABILITY.—In the case of an assistance contract for project-based assistance under this subsection, a public housing agency shall enter into a contract with an owner, contingent upon the future availability of appropriations for the purpose of renewing expiring contracts for assistance payments as provided in appropriations Acts, to extend the term of the underlying assistance contract for such period or periods as the Secretary determines to be appropriate to achieve long-term affordability of the housing. The contract shall obligate the owner to have the extensions of the assistance contract accepted by the owner and the owner's successors in interest. To the extent assistance is used as provided in paragraph (2)(B), the contract for assistance may, at the option of the public housing agency, have an initial term not exceeding 15 years.

"(5) ANNUAL REPORT.—The Secretary shall annually survey public housing agencies to determine which public housing agencies have, in providing assistance under this section in the year, reached the percentage limitations under paragraphs (2) and (3), and shall submit a report to the Congress each year regarding the results of the survey.

"(j) TERMINATION OF ASSISTANCE CONTRACTS.—

"(1) NOTICE BY OWNER.—Any owner terminating any assistance contract shall provide written notice to the Secretary and the tenants in-

volved of the proposed termination not less than one year before the termination of the contract (but not less than 90 days in the case of tenant-based assistance). The notice shall specify the date of the termination and the reasons for the termination, with detail sufficient to enable the Secretary to evaluate whether the termination is lawful and whether additional actions can be taken by the Secretary to avoid the termination. The notice shall include a statement that the owner and the Secretary may agree to a renewal of the contract, thus avoiding the termination.

"(2) REVIEW OF NOTICE BY SECRETARY.—The Secretary shall review the notice, shall consider whether additional actions can be taken by the Secretary to avoid the termination, and shall ensure a proper adjustment of the contract rents for the project in compliance with the requirements of subsection (d) and paragraph (3) of this subsection. The Secretary shall issue a written finding of the legality of the termination and the reasons for the termination, including the actions considered or taken to avoid the termination. Within 30 days after issuance of the findings, the owner shall provide written notice to each tenant of the decision, together with the written findings of the Secretary regarding the termination. In the case of project-based assistance, the Secretary and the owner shall complete the actions under this paragraph not later than the expiration of the 9-month period beginning upon the date that the owner provides written notice of termination under paragraph (1).

"(3) ADJUSTMENT OF CONTRACT RENT.—If an owner provides notice of proposed termination under paragraph (1) and the contract rent is less than the maximum monthly rent for units assisted under this section, the Secretary shall adjust the contract rent based on the maximum monthly rent for units assisted under this section and the value of the low-income housing.

"(4) NOTICE OF RENT INCREASES.—Each assistance contract for project-based assistance under this section shall require the owner to notify tenants at least 90 days before the expiration of the contract of any rent increase which may occur as a result of the expiration of such contract.

"(5) DEFINITION OF TERMINATION.—For purposes of this subsection, the term 'termination' means the expiration of the assistance contract or the refusal of the owner to renew an assistance contract, which shall include the termination of tenancy by an owner for business reasons.

"(k) RENTAL ASSISTANCE FOR MANUFACTURED HOUSING.—

"(1) IN GENERAL.—The Secretary may enter into contracts to make assistance payments under this subsection to assist low-income families by making rental assistance payments on behalf of any such family that utilizes a manufactured home as its principal place of residence. In carrying out this subsection, the Secretary may—

"(A) enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into assistance contracts to make such assistance payments to the owners of such real property; or

"(B) enter into such contracts directly with the owners of such real property.

"(2) USE OF ASSISTANCE.—Rental assistance payments under this subsection may be made with respect to the rental of the real property on which is located a manufactured home that is owned by a low-income family or with respect to the rental by such a family of a manufactured home and the real property on which it is located.

"(3) ASSISTANCE FOR RENTAL OF MANUFACTURED HOME SITE.—

"(A) MAXIMUM MONTHLY RENT.—A contract entered into pursuant to this paragraph shall



establish the maximum monthly rent (including maintenance and management charges) that the owner is entitled to receive for the space on which a manufactured home is located and with respect to which assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 percent the fair market rental established by the Secretary periodically (but not less than annually) with respect to the market area for the rental of real property suitable for occupancy by families assisted under this paragraph.

"(B) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of any monthly assistance payment with respect to any family that rents real property that is assisted under this paragraph, and on which is located a manufactured home that is owned by such family shall be the difference between the rent the family is required to pay under section 3(a) and the sum of—

"(i) the monthly payment made by such family to amortize the cost of purchasing the manufactured home;

"(ii) the monthly utility payments made by such family, subject to reasonable limitations prescribed by the Secretary; and

"(iii) the maximum monthly rent permitted with respect to the real property which is rented by such family for the purpose of locating its manufactured home;

except that in no case may such assistance exceed the total amount of such maximum monthly rent.

"(4) ASSISTANCE FOR RENTAL OF MANUFACTURED HOME AND SITE.—

"(A) MAXIMUM MONTHLY RENT.—Contracts entered into pursuant to this paragraph shall establish the maximum monthly rent permitted with respect to the manufactured home and the real property on which it is located and with respect to which assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 percent the fair market rental established by the Secretary periodically (but not less than annually) with respect to the market area for the rental of a manufactured home and the real property on which it is located suitable for occupancy by families assisted under this paragraph; except that the maximum monthly rent may exceed the fair market rental by more than 10 but not more than 20 percent if the Secretary determines that special circumstances warrant such higher maximum rent.

"(B) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of any monthly assistance payment with respect to any family that rents a manufactured home and the real property on which it is located and that is assisted under this paragraph shall be the difference between the rent the family is required to pay under section 3(a) and the sum of—

"(i) the monthly utility payments made by such family, subject to reasonable limitations prescribed by the Secretary; and

"(ii) the maximum monthly rent permitted with respect to the manufactured home and real property on which it is located.

"(5) ADJUSTMENT OF MAXIMUM MONTHLY RENTS.—The provisions of paragraphs (3) through (6) of subsection (d) shall apply to the adjustments of maximum monthly rents under this subsection.

"(6) CONTRACT TERM.—Each contract entered into under the subsection shall be for a term of not less than one month and not more than 180 months; except that in any case in which the manufactured home park is substantially rehabilitated or newly constructed, such term may not be less than 240 months, nor more than the maximum term for a manufactured home loan permitted under section 2(b) of the National Housing Act.

"(7) APPLICABILITY.—The Secretary may carry out this subsection without regard to

whether the manufactured home park is existing, substantially rehabilitated, or newly constructed.

"(8) LIMITATION ON SUBSTANTIALLY REHABILITATED AND NEWLY CONSTRUCTED MANUFACTURED HOME PARKS.—In the case of any substantially rehabilitated or newly constructed manufactured home park containing spaces with respect to which assistance is made under this subsection, the principal amount of the mortgage attributable to the rental spaces within the park may not exceed an amount established by the Secretary which is equal to or less than the limitation for manufactured home parks described in section 207(c)(3) of the National Housing Act, and the Secretary may increase such limitation in high cost areas in the manner described in such section.

"(9) OTHER REQUIREMENTS.—The Secretary may prescribe other terms and conditions necessary for the purpose of carrying out this subsection and that are consistent with the purposes of this subsection.

"(I) SINGLE ROOM OCCUPANCY FACILITIES.—

"(1) AUTHORITY.—In making project-based assistance available under this section and assistance under section 441 and part V of subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act, the Secretary may provide assistance with respect to residential properties in which some or all of the dwelling units do not contain bathroom or kitchen facilities, if—

"(A) the property is located in an area in which there is a significant demand for such units, as determined by the Secretary;

"(B) the unit of general local government in which the property is located and the local public housing agency approve of such units being utilized for such purpose; and

"(C) the unit of general local government in which the property is located and the local public housing agency certify to the Secretary that the property complies with local health and safety standards.

"(2) WAIVER OF LIMITATIONS ON ASSISTANCE FOR SINGLE PERSONS.—The Secretary may waive, in appropriate cases, the limitation and preference described in the second and third sentences of section 3(b)(3)(A) with respect to the assistance made available under this subsection.

"(m) SHARED HOUSING FOR ELDERLY, HANDICAPPED, AND DISABLED FAMILIES.—To assist elderly, handicapped, and disabled families (as defined in section 3(b)) who elect to live in a shared housing arrangement in which they benefit as a result of sharing the facilities of a dwelling with others in a manner that effectively and efficiently meets their housing needs and thereby reduces their costs of housing, the Secretary shall permit assistance provided under this section to be used by such families in such arrangements. In carrying out this subsection, the Secretary shall issue minimum habitability standards for the purpose of assuring decent, safe, and sanitary housing for such families while taking into account the special circumstances of shared housing.

"(n) ADMINISTRATIVE FEES.—

"(1) BASIC FEE FOR TENANT-BASED RENTAL PROGRAM.—The Secretary shall establish a fee for the costs incurred by a public housing agency in administering the program for rental assistance under this section, which shall be, together with other fees authorized under this subsection, included in any amounts provided to the public housing agency under the annual contributions contract for the agency. The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 8.2 percent of the fair market rental established under subsection (e) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency. The Secretary may increase the fee if necessary to re-

flect the higher costs of administering small programs and programs operating over large geographic areas.

"(2) OTHER FEES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

"(A) the costs of preliminary expenses that a public housing agency documents it has incurred in connection with new allocations of assistance under the program for rental assistance under this section, which shall not exceed \$275 per unit assisted;

"(B) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the program;

"(C) the costs incurred in administering the provision of rental assistance under this section through the self-sufficiency program under section 23; and

"(D) extraordinary costs approved by the Secretary.

"(3) BUDGET COMPLIANCE.—The Secretary may establish or increase a fee in accordance with this subsection only to such extent or in such amounts as are provided in appropriation Acts.

"(o) PORTABILITY OF ASSISTANCE.—

"(1) AUTHORITY.—Except as provided in paragraphs (2) and (4), any family on behalf of whom is provided tenant-based rental assistance under this section and who moves to an eligible dwelling unit located within the same State, or the same or a contiguous metropolitan statistical area, as the metropolitan statistical area within which is located the area of jurisdiction of the public housing agency approving the assistance for the family, may use such assistance to rent such eligible dwelling unit.

"(2) LIMITATION ON FAMILIES WITH INCREASED RENTAL PAYMENTS.—Any assisted family approved for increased rental payments (as such term is defined in subsection (p)(3)) shall use assistance under this section only for a dwelling unit that is located within the area of jurisdiction of the public housing agency approving such assistance and providing approval for the increased family rental payment amount (as such term is defined in subsection (p)(3)).

"(3) ADMINISTRATION.—The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this section with respect to the family. If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance shall have such responsibility.

"(4) LOCAL OPTION TO ENSURE MINIMUM AREA RESIDENCY.—

"(A) AUTHORITY.—At the discretion of a public housing agency and to the extent provided in subparagraph (B), the agency may provide that a family may use tenant-based rental assistance under this section to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance only if, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency.

"(B) LIMITATION.—If a public housing agency elects to restrict the use of tenant-based rental assistance pursuant to subparagraph (A) and provides such assistance on behalf of more than 300 families, the agency may not restrict the use of such assistance with respect to assistance provided on behalf of 10 percent of the number of families receiving such assistance that exceeds 300.

"(5) RESERVATION OF ASSISTANCE.—

"(A) AMOUNT.—In each fiscal year, the Secretary shall reserve 5 percent of the amount of

the budget authority made available for assistance under this section for use in accordance with this paragraph.

“(B) **USE.**—Budget authority reserved under this paragraph shall be used only to provide a public housing agency with additional amounts (as determined under subparagraph (D)) to provide assistance for families on behalf of whom assistance is provided under this section by another public housing agency and who move into an eligible dwelling unit located within the area of jurisdiction of the agency to receive assistance under this paragraph.

“(C) **REQUIREMENT.**—Amounts reserved under this paragraph may be made available to a public housing agency only if the agency has provided assistance pursuant to the first sentence of paragraph (3) on behalf of families who have moved into eligible dwelling units located within the area of jurisdiction of the agency in an amount not less than the lesser of (i) 5 percent of the total amount received by the agency for assistance under this section for the fiscal year, or (ii) the amount necessary to assist 25 percent of average annual number of families previously assisted by the agency who relinquish such assistance in a year (based on the preceding 3 calendar years).

“(D) **LIMITATION.**—In each fiscal year, the Secretary shall make amounts reserved under this paragraph for the fiscal year available to each public housing agency (subject to the availability of such amounts) in the amount by which the amount of additional assistance necessary for the agency to provide assistance on behalf of families who have moved into eligible dwelling units located within the area of jurisdiction of the agency exceeds the lesser of the amounts referred to in clauses (i) and (ii) of subparagraph (C).

“(p) **PROHIBITION OF DISCRIMINATION.**—

“(1) **BASED ON RESIDENCY IN PUBLIC HOUSING.**—In selecting families for the provision of assistance under this section, a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.

“(2) **BASED ON RECEIPT OF ASSISTANCE.**—

“(A) **FAMILIES PAYING 30 PERCENT OF INCOME FOR RENT.**—An owner who has entered into an assistance contract under this section on behalf of any tenant in a multifamily housing project shall not refuse to lease any available dwelling unit in any multifamily housing project of such owner that rents for an amount not greater than the fair market rental for a comparable unit (as determined by the Secretary under subsection (e)) to a family who has been approved by a public housing agency for rental assistance under this section and is in possession of evidence of such approval, a proximate cause of which is the status of such prospective tenant as such an assisted family, and to enter into an assistance contract respecting such unit.

“(B) **FAMILIES PAYING MORE THAN 30 PERCENT OF INCOME FOR RENT.**—An owner who has entered into an assistance contract under this section on behalf of any tenant in a multifamily housing project shall not refuse to lease any available dwelling unit in any multifamily housing project of such owner that rents for an amount not greater than the sum of the amounts of the fair market rental for a comparable unit (as determined by the Secretary under subsection (e)) and the increased family rental payment amount to an assisted family approved for increased rental payments a proximate cause of which is the status of such prospective tenant as a holder of a certificate of eligibility under this section, and to enter into a housing assistance payments contract respecting such unit.

“(3) **DEFINITIONS.**—For purposes of this subsection:

“(A) **ASSISTED FAMILY APPROVED FOR INCREASED RENTAL PAYMENTS.**—The term ‘assisted family approved for increased rental payments’ means a family who has been approved by a public housing agency for rental assistance under this section and is in possession of evidence of such approval and for whom the public housing agency approving the assistance and issuing the evidence of approval has approved an increase in the family rental payment under subsection (f)(2).

“(B) **INCREASED FAMILY RENTAL PAYMENT AMOUNT.**—The term ‘increased family rental payment amount’ means, for any assisted family approved for increased rental payments, the amount by which the rent for a unit approved under subsection (f)(2) exceeds the permissible maximum monthly rent established under subsection (d) for comparable units in the market area in which unit is located.

“(C) **MULTIFAMILY HOUSING PROJECT.**—The term ‘multifamily housing project’ means a residential building containing more than 4 dwelling units.

“(g) **SPECIAL USES OF RENTAL ASSISTANCE.**—

“(1) **ASSISTANCE FOR RESIDENTS OF REHABILITATED PROJECTS.**—In the case of low-income families living in rental projects rehabilitated under section 17 of this Act or section 533 of the Housing Act of 1949 before rehabilitation—

“(A) tenant-based rental assistance under this section shall be provided for families who are required to move out of their dwelling units because of the physical rehabilitation activities or because of overcrowding;

“(B) at the discretion of each public housing agency, tenant-based rental assistance under this section may be provided for families who would have to pay more than 30 percent of their adjusted income for rent after rehabilitation whether they choose to remain in, or to move from, the project; and

“(C) the Secretary shall allocate tenant-based rental assistance provided under this section to ensure that sufficient resources are available to address the physical or economic displacement, or potential economic displacement, of existing tenants pursuant to subparagraphs (A) and (B).

“(2) **LOAN MANAGEMENT ASSISTANCE.**—

“(A) **IN GENERAL.**—The Secretary may provide assistance under this section through a loan management program to assist financially troubled multifamily residential housing projects (i) subject to mortgages that are insured under the National Housing Act or mortgages that have been assigned to the Secretary, (ii) that were held by the Secretary and have been sold, and (iii) that were assisted under section 202 of the Housing Act of 1959.

“(B) **ELIGIBILITY.**—The eligibility of a multifamily residential project for loan management assistance under this paragraph shall be determined without regard to whether the project is subsidized or unsubsidized.

“(C) **PRIORITY IN ALLOCATION.**—In allocating assistance under this section made available under the loan management program, the Secretary may give priority to any project only on the basis that the project has serious financial problems that are likely to result in a claim on the applicable insurance fund in the near future or the project is eligible to receive incentives under the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the enactment of the Cranston-Gonzalez National Affordable Housing Act) or the Low-Income Housing Preservation Act of 1990.

“(D) **EXTENSION OF CONTRACT.**—The Secretary shall extend any expiring contract entered into under this section for loan management assistance or execute a new contract for project-based loan management assistance, if the owner agrees to continue providing housing for low-income families during the term of the contract.

“(3) **ASSISTANCE FOR FAMILY UNIFICATION.**—

“(A) **INCREASE IN BUDGET AUTHORITY.**—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by \$36,400,000 on or after October 1, 1992.

“(B) **USE OF FUNDS.**—The amounts made available under this paragraph shall be used only in connection with tenant-based assistance under this section on behalf of any family (i) who is otherwise eligible for such assistance, and (ii) who the public child welfare agency for the jurisdiction has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care or the delayed discharge of a child or children to the family from out-of-home care.

“(C) **ALLOCATION.**—Any amounts made available under this paragraph shall be allocated by the Secretary through a national competition among applicants based on demonstrated need for assistance under this paragraph. To be considered for assistance, an applicant shall submit to the Secretary a written proposal containing a report from the public child welfare agency serving the jurisdiction of the applicant that describes how a lack of adequate housing in the jurisdiction is resulting in the initial or prolonged separation of children from their families, and how the applicant will coordinate with the public child welfare agency to identify eligible families and provide the families with assistance under this paragraph.

“(D) **DEFINITIONS.**—For purposes of this paragraph:

“(i) **APPLICANT.**—The term ‘applicant’ means a public housing agency.

“(ii) **PUBLIC CHILD WELFARE AGENCY.**—The term ‘public child welfare agency’ means the public agency responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency may be returned to his or her family.

“(r) **RENEWAL OF EXPIRING CONTRACTS.**—Not later than 30 days after the beginning of each fiscal year, the Secretary shall publish in the Federal Register a plan for reducing, to the extent feasible, year-to-year fluctuations in the levels of budget authority that will be required over the succeeding 5-year period to renew expiring assistance contracts entered into under this section after the enactment of the Housing and Community Development Act of 1974. To the extent necessary to carry out such plan and to the extent approved in appropriations Acts, the Secretary is authorized to enter into annual contributions contracts with terms of less than 60 months.

“(s) **GENERAL PROVISIONS.**—

“(1) **PROHIBITION OF HIGH-RISE PROJECTS FOR FAMILIES WITH CHILDREN.**—Notwithstanding any other provision of this section, after the date of enactment of the Housing and Community Development Act of 1977, the Secretary shall prohibit high-rise elevator projects for families with children unless the Secretary determines that there is no practical alternative.

“(2) **PLEDGING ASSISTANCE CONTRACTS AS SECURITY.**—An owner may pledge, or offer as security for any loan or obligation, an assistance contract entered into pursuant to this section, but only if such security is in connection with a project constructed or rehabilitated pursuant to authority under this section and the terms of the financing or any refinancing have been approved by the Secretary.

“(t) **DEFINITIONS.**—For purposes of this section:

“(1) **ANNUAL CONTRIBUTIONS CONTRACT.**—The term ‘annual contributions contract’ means a contract under subsection (b) between the Sec-



retary and a public housing agency to provide amounts for rental assistance payments under this section to the public housing agency.

"(2) ASSISTANCE CONTRACT.—The term 'assistance contract' means a contract under subsection (c) between a public housing agency (or the Secretary) and an owner to make rental assistance payments under this section to the owner.

"(3) DEBT SERVICE.—The term 'debt service' means the required payments for principal and interest made with respect to a mortgage secured by housing assisted under this Act.

"(4) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

"(5) OWNER.—The term 'owner' means any private person or entity, including a cooperative, or a public housing agency, having the legal right to lease or sublease dwelling units, and such term shall include any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project (as such term is defined in subsection (p)(3)), as well as the entity itself.

"(6) PARTICIPATING JURISDICTION.—The term 'participating jurisdiction' means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title II of the Cranston-Gonzalez National Affordable Housing Act.

"(7) PROJECT-BASED ASSISTANCE.—The term 'project-based assistance' means rental assistance under this section that is attached to a structure pursuant to subsection (i).

"(8) RENT.—The terms 'rent' and 'rental' include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

"(9) RENTAL ASSISTANCE.—The term 'rental assistance' means assistance provided under this section on behalf of low-income families for the rental of a dwelling unit.

"(10) TENANT-BASED ASSISTANCE.—The term 'tenant-based assistance' means rental assistance under this section that is not project-based assistance."

(b) RESERVATION OF SECTION 8 AMOUNTS UNDER HEADQUARTERS RESERVE FOR PORTABILITY ASSISTANCE.—Section 213(d)(4)(A) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)(A)) is amended—

(1) in the matter preceding clause (i), by striking "September 30, 1990" and all that follows through "5 percent" and inserting "September 30, 1992, the Secretary may retain not more than 10 percent";

(2) in clause (iii), by striking "and" at the end;

(3) in clause (iv), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following new clause:

"(v) in the case of financial assistance under the rental housing assistance program under section 8 of the United States Housing Act of 1937, providing assistance pursuant to section 8(o)(4) of such Act."

(c) TRANSITION.—

(1) APPLICABILITY.—The amendment made by subsection (a) shall apply only to assistance under section 8 of the United States Housing Act of 1937 provided pursuant to an assistance contract entered into or renewed during fiscal year 1993 or thereafter. Any such assistance provided pursuant to an assistance contract entered into before fiscal year 1993 shall be subject to the provisions of such section 8 as in effect immediately before the enactment of this Act or otherwise applicable to such assistance.

(2) CONTINUATION OF ASSISTANCE.—The Secretary of Housing and Urban Development shall take any action necessary to ensure that the provision of assistance under section 8 of the United States Housing Act of 1937 to families receiving assistance under such section on the date of the enactment of this Act is not interrupted because of the amendment made by subsection (a).

(d) CONFORMING AMENDMENT.—Section 441(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(b)) is amended—

(1) by striking "section 8(n)" and inserting "section 8(l)"; and

(2) by adding at the end the following new sentence: "Moderate rehabilitation under this section shall be carried out in the manner provided under the provisions of section 8(e) of the United States Housing Act of 1937, as such section was in effect immediately before the enactment of the Housing and Community Development Act of 1992."

#### SEC. 142. IMPLEMENTATION OF AMENDMENTS TO PROJECT-BASED CERTIFICATE PROGRAM.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to carry out the amendments made by section 547 of the Cranston-Gonzalez National Affordable Housing Act not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.

#### SEC. 143. EFFECTIVENESS OF SECTION 8 ASSISTANCE FOR PHA-OWNED UNITS.

The amendments made by section 548 of the Cranston-Gonzalez National Affordable Housing Act shall be effective notwithstanding the absence of any regulations issued by the Secretary of Housing and Urban Development.

#### SEC. 144. NONDISCRIMINATION AGAINST SECTION 8 ASSISTANCE HOLDERS.

Section 183(c) of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note) is amended by adding at the end the following new flush sentence:

"For purposes of this subsection, the term 'owner' means any private person or entity, including a cooperative, having the legal right to lease or sublease dwelling units in a subsidized project. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a subsidized project, as well as the entity itself."

#### SEC. 145. IMPLEMENTATION OF INCOME ELIGIBILITY PROVISIONS FOR SECTION 8 NEW CONSTRUCTION UNITS.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to carry out the provisions of section 555 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.

#### SEC. 146. MOVING TO OPPORTUNITY FOR FAIR HOUSING.

(a) AUTHORITY.—Using any amounts available under subsection (e), the Secretary of Housing and Urban Development shall carry out a demonstration program to provide tenant-based assistance under section 8 of the United States

Housing Act of 1937 to assist very low-income families with children who reside in public housing to move out of areas with high concentrations of persons living in poverty to areas with low concentrations of such persons. The Secretary shall enter into annual contributions contracts with public housing agencies to administer housing assistance payments contracts under the demonstration.

(b) ELIGIBLE CITIES.—

(1) IN GENERAL.—The Secretary shall carry out the demonstration only in cities with populations exceeding 350,000 that are located in consolidated metropolitan statistical areas (as designated by the Director of the Office of Management and Budget) having populations exceeding 1,500,000.

(2) 1993.—Notwithstanding paragraph (1), in fiscal year 1993, only the 5 cities selected for the demonstration under the item relating to "HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (INCLUDING RESCISSION OF FUNDS)" of title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (105 Stat. 745), and the City of Los Angeles, California, shall be eligible for the demonstration under this section.

(c) SERVICES.—The Secretary shall enter into contracts with nonprofit organizations to provide counseling and services in connection with the demonstration.

(d) REPORTS.—The Secretary shall submit a report to the Congress, not later than September 30, 2004, describing the long-term housing, employment, and educational achievements of families assisted under the demonstration. The Secretary shall submit an interim report to the Congress, not later than September 30, 1999, describing any such achievements to such date of families assisted under the demonstration.

(e) FUNDING.—

(1) SECTION 8.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for tenant-based assistance under section 8 of such Act is authorized to be increased, on or after October 1, 1992, by such sums as may be necessary to carry out the demonstration under this section. Any amounts made available under this paragraph shall be used in connection with the demonstration under this section.

(2) COUNSELING.—There are authorized to be appropriated for fiscal year 1993, in addition to any amounts authorized under section 106(a)(3) of the Housing and Urban Development Act of 1968, such sums as may be necessary for counseling and other activities under section 106(a) of such Act in connection with the demonstration under this section.

(f) IMPLEMENTATION.—The Secretary may, by notice published in the Federal Register, establish any requirements necessary to carry out the demonstration under this section and the amendment made by this section. The Secretary shall publish such notice not later than the expiration of the 90-day period beginning on the date of the enactment of this Act and shall submit a copy of such notice to the Congress not less than 15 days before publication.

#### Subtitle D—Other Programs

#### SEC. 161. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 5130(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(a)) is amended to read as follows: "There is authorized to be appropriated to carry out this chapter \$173,576,000 for fiscal year 1993."

(b) SET ASIDE FOR YOUTH SPORTS PROGRAMS.—Section 5130 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909) is amended by adding at the end the following new subsection:

"(c) SET ASIDE FOR YOUTH SPORTS PROGRAMS.—Of any amount made available in any

fiscal year to carry out this chapter, 5 percent of such amount shall be available for public housing youth sports program grants under section 520 of the Cranston-Gonzalez National Affordable Housing Act for such fiscal year."

(c) **DRUG-RELATED ACTIVITY IN OTHER PHA-OWNED HOUSING.**—Section 5124 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903) is amended—

(1) by inserting "(a) PUBLIC AND ASSISTED HOUSING." before "Grants"; and

(2) by adding at the end the following new subsection:

"(b) **OTHER PHA-OWNED HOUSING.**—Notwithstanding any other provision of this chapter, grants under this chapter may be used to eliminate drug-related crime in housing owned by public housing agencies that is not public housing assisted under the United States Housing Act of 1937 and is not otherwise federally assisted, for the activities described in paragraphs (1) through (7) of subsection (a), but only if—

"(1) the housing is located in a high intensity drug trafficking area designated pursuant to section 1005 of this Act; and

"(2) the public housing agency owning the housing demonstrates, to the satisfaction of the Secretary, that drug-related activity at the housing has a detrimental effect on or about the real property comprising any public or other federally assisted low-income housing."

#### SEC. 162. FLEXIBLE SUBSIDY PROGRAM.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 201(j)(5) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 17152-1a(j)(5)) is amended to read as follows:

"(5) There is authorized to be appropriated for assistance under the flexible subsidy fund not to exceed \$54,288,000 for fiscal year 1993."

(b) **USE OF SECTION 236 RENTAL ASSISTANCE FUND AMOUNTS FOR FLEXIBLE SUBSIDY PAYMENTS.**—Section 236(f)(3) of the National Housing Act (12 U.S.C. 17152-1a(f)(3)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(c) **APPROVAL OF MANAGEMENT IMPROVEMENT AND OPERATING PLAN.**—Section 201(d)(6) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 17152-1a(d)(6)) is amended by inserting before the period at the end the following: "and except that the Secretary shall review and approve or disapprove each plan not later than the expiration of the 30-day period beginning upon the submission of the plan to the Secretary by the owner, but if the Secretary fails to inform the owner of approval or disapproval of the plan within such period the plan shall be considered to have been approved."

#### SEC. 163. HOUSING COUNSELING.

(a) **COUNSELING SERVICES.**—The first sentence of section 106(a)(3) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(a)(3)) is amended by striking "except that" and all that follows and inserting the following: "except that for such purposes there is authorized to be appropriated \$3,848,000 for fiscal year 1993."

(b) **GRANTS FOR EMERGENCY HOMEOWNERSHIP COUNSELING.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—The first sentence of section 106(c)(8) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(8)) is amended to read as follows: "There is authorized to be appropriated to carry out this section \$7,280,000 for fiscal year 1993, of which amounts \$1,000,000 shall be available to carry out paragraph (5)(D)."

(2) **EXTENSION OF PROGRAM.**—Section 106(c)(9) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(9)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(3) **AVAILABILITY.**—Section 106(c)(3)(A) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(3)(A)) is amended—

(A) in clause (i), by striking "and" at the end; and

(B) by adding at the end the following new clause:

"(iii) have a high incidence of mortgages involving principal obligations (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the properties that are insured pursuant to section 203 of the National Housing Act; and"

(4) **ELIGIBILITY.**—Section 106(c)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(4)) is amended by adding at the end the following new flush sentence:

"An applicant for a mortgage shall be eligible for homeownership counseling under this subsection if the mortgage involves a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the property and is to be insured pursuant to section 203 of the National Housing Act."

(5) **NOTIFICATION OF AVAILABILITY.**—Section 106(c)(5)(A) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(A)) is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) **NOTIFICATION OF AVAILABILITY OF HOMEOWNERSHIP COUNSELING.**—

"(i) **REQUIREMENT.**—Except as provided in subparagraph (C), the creditor of a loan (or proposed creditor) shall provide notice under clause (ii) to (I) any eligible homeowner who fails to pay any amount by the date the amount is due under a home loan, and (II) any applicant for a mortgage described in paragraph (4).

"(ii) **CONTENT.**—Notification under this subparagraph shall—

"(I) notify the homeowner or mortgage applicant of the availability of any homeownership counseling offered by the creditor (or proposed creditor);

"(II) if provided to an eligible mortgage applicant, state that completion of a counseling program is required for insurance pursuant to section 203 of the National Housing Act; and

"(III) notify the homeowner or mortgage applicant of the availability of homeownership counseling provided by nonprofit organizations approved by the Secretary and experienced in the provision of homeownership counseling, or provide the toll-free telephone number described in subparagraph (D)(i)."

(6) **ANNUAL UPDATE OF LIST OF COUNSELING ORGANIZATIONS FOR TOLL-FREE NUMBER.**—The matter preceding subclause (I) in section 106(c)(5)(D)(i) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(D)(i)) is amended by inserting "which shall be updated annually," after "organizations".

(c) **PREPURCHASE AND FORECLOSURE-PREVENTION COUNSELING DEMONSTRATION.**—Section 106(d)(12) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(d)(12)) is amended to read as follows:

"(12) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this subsection \$379,600 for fiscal year 1993."

#### SEC. 164. USE OF FUNDS RECAPTURED FROM REFINANCING STATE AND LOCAL FINANCE PROJECTS.

(a) **IN GENERAL.**—Section 1012 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437f note) is amended to read as follows:

"SEC. 1012. **USE OF FUNDS RECAPTURED FROM REFINANCING STATE AND LOCAL FINANCE PROJECTS.**

"(a) **AVAILABILITY OF FUNDS.**—The Secretary shall make available to the State housing finance agency in the State in which a qualified

project is located, or the local government or local housing agency initiating the refinancing of the qualified project, as applicable, an amount equal to 50 percent of the amounts recaptured from the project (as determined by the Secretary on a project-by-project basis). Such amounts shall be used only for providing decent, safe, and sanitary housing affordable for very low-income families and persons.

"(b) **DEFINITION OF QUALIFIED PROJECT.**—For purposes of this section, the term 'qualified project' means any State financed project or local government or local housing agency financed project, that—

"(1) was—

"(A) provided a financial adjustment factor under section 8 of the United States Housing Act of 1937; or

"(B) constructed or substantially rehabilitated pursuant to assistance provided under a contract under section 8(b)(2) of the United States Housing Act of 1937 (as in effect on September 30, 1983) entered into during any of calendar years 1979 through 1984; and

"(2) is being refinanced.

"(c) **APPLICABILITY AND BUDGET COMPLIANCE.**—

"(1) **RETROACTIVITY.**—This section shall apply to refinancings of projects for which settlement occurred or occurs before, on, or after the date of the enactment of the Housing and Community Development Act of 1992, subject to the provisions of paragraph (2).

"(2) **BUDGET COMPLIANCE.**—This section shall apply only to the extent or in such amounts as are provided in appropriation Acts."

#### SEC. 165. HOPE FOR YOUTH.

Title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa note et seq.) is amended by adding at the end the following new subtitle:

"**Subtitle D—HOPE for Youth: Youthbuild**

"**SEC. 451. STATEMENT OF PURPOSE.**

"It is the purpose of this subtitle—

"(1) to expand the supply of permanent affordable housing for homeless individuals and members of low- and very low-income families by utilizing the energies and talents of economically disadvantaged young adults;

"(2) to provide economically disadvantaged young adults with opportunities for meaningful work and service to their communities in helping to meet the housing needs of homeless individuals and members of low- and very low-income families;

"(3) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency; and

"(4) to foster the development of leadership skills and commitment to community development among young adults in low-income communities.

#### "SEC. 452. PROGRAM AUTHORITY.

"The Secretary may make—

"(1) planning grants to enable applicants to develop Youthbuild programs; and

"(2) implementation grants to enable applicants to carry out Youthbuild programs.

#### "SEC. 453. PLANNING GRANTS.

"(a) **GRANTS.**—The Secretary is authorized to make planning grants to applicants for the purpose of developing Youthbuild programs under this subtitle. The amount of a planning grant under this section may not exceed \$150,000, except that the Secretary may for good cause approve a grant in a higher amount.

"(b) **ELIGIBLE ACTIVITIES.**—Planning grants may be used for activities to develop Youthbuild programs including—

"(1) studies of the feasibility of a Youthbuild program;

"(2) establishment of consortia between youth training and education programs and housing



owners or developers, including any organizations specified in section 457(2), which will participate in the Youthbuild program;

"(3) identification and selection of a site for the Youthbuild program;

"(4) preliminary architectural and engineering work for the Youthbuild program;

"(5) identification and training of staff for the Youthbuild program;

"(6) planning for education, job training, and other services that will be provided as part of the Youthbuild program;

"(7) other planning, training, or technical assistance necessary in advance of commencing the Youthbuild program; and

"(8) preparation of an application for an implementation grant under this subtitle.

"(c) APPLICATION.—

"(1) FORM AND PROCEDURES.—An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) MINIMUM REQUIREMENTS.—The Secretary shall require that an application contain at a minimum—

"(A) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, the personnel necessary to complete the activities, and the amount of the grant requested;

"(B) a description of the applicant and a statement of its qualifications, including a description of the applicant's past experience with housing rehabilitation or construction and with youth and youth education and employment training programs, and its relationship with local unions and apprenticeship programs, and other community groups;

"(C) identification and description of potential sites for the program and the construction or rehabilitation activities that would be undertaken at such sites; potential methods for identifying and recruiting youth participants; potential educational and job training activities, work opportunities and other services for participants; and potential coordination with other Federal, State, and local housing and youth education and employment training activities;

"(D) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located; and

"(E) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(d) SELECTION CRITERIA.—The Secretary shall, by regulation, establish selection criteria for a national competition for assistance under this section, which shall include—

"(1) the qualifications or potential capabilities of the applicant;

"(2) the potential of the applicant for developing a successful and affordable Youthbuild program;

"(3) the need for the prospective program, as determined by the degree of economic distress—

"(A) of the community from which participants would be recruited (such as poverty, youth unemployment, and number of individuals who have dropped out of high school); and

"(B) of the community in which the housing proposed to be constructed or rehabilitated would be located (such as incidence of homelessness, shortage of affordable housing, and poverty); and

"(4) such other factors that the Secretary shall require that (in the determination of the

Secretary) are appropriate for purposes of carrying out the program established by this subtitle in an effective and efficient manner.

#### "SEC. 454. IMPLEMENTATION GRANTS.

"(a) GRANTS.—The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out Youthbuild programs approved under this subtitle.

"(b) ELIGIBLE ACTIVITIES.—Implementation grants may be used to carry out Youthbuild programs, including the following activities:

"(1) Architectural and engineering work.

"(2) Acquisition, rehabilitation, acquisition and rehabilitation, or construction of housing and related facilities to be used for the purposes of providing homeownership under subtitle B and subtitle C of this title, residential housing for homeless individuals, and low- and very low-income families, or transitional housing for persons who are homeless, have disabilities, are ill, are deinstitutionalized, or have other special needs.

"(3) Administrative costs of the applicant, which may not exceed 15 percent of the amount of assistance provided under this section, or such higher percentage as the Secretary determines is necessary to support capacity development by a private nonprofit organization.

"(4) Education and job training services and activities including—

"(A) work experience and skills training, coordinated, to the maximum extent feasible, with preapprenticeship and apprenticeship programs, in the construction and rehabilitation activities described in subsection (b)(2);

"(B) services and activities designed to meet the educational needs of participants, including—

"(i) basic skills instruction and remedial education;

"(ii) bilingual education for individuals with limited-English proficiency;

"(iii) secondary education services and activities designed to lead to the attainment of a high school diploma or its equivalent; and

"(iv) counseling and assistance in attaining post-secondary education and required financial aid;

"(C) counseling services and related activities;

"(D) activities designed to develop employment and leadership skills, including support for youth councils; and

"(E) support services and need-based stipends necessary to enable individuals to participate in the program and, for a period not to exceed 12 months after completion of training, to assist participants through support services in retaining employment.

"(5) Wage stipends and benefits provided to participants.

"(6) Funding of operating expenses and replacement reserves of the property covered by the Youthbuild program.

"(7) Legal fees.

"(8) Defraying costs for the ongoing training and technical assistance needs of the recipient that are related to developing and carrying out the Youthbuild program.

"(c) MATCHING FUNDING.—

"(1) IN GENERAL.—Each recipient shall ensure that contributions equal to not less than 10 percent of the grant amounts made available under this section, excluding any amounts provided for post-sale operating expense, shall be provided from nonprogram sources to carry out the Youthbuild program.

"(2) FORM.—Such contributions may be in the form of—

"(A) cash contributions from non-Federal resources, which may not include funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(B) payment of administrative expenses, as defined by the Secretary, from non-Federal re-

sources, including funds from a grant made under section 106(b) or section 106(d) of the Housing and Community Development Act of 1974;

"(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a Youthbuild program assisted under this subtitle;

"(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

"(E) the value of investment in on-site and off-site infrastructure required for a Youthbuild program assisted under this subtitle;

"(F) the value of property or services from non-Federal resources as valued according to procedures acceptable to the Secretary;

"(G) cash contributions from Federal resources that are earmarked to provide the education and job training services and activities described in section 454(b)(4) of this subtitle; or

"(H) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

"(d) APPLICATION.—

"(1) FORM AND PROCEDURE.—An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

"(2) MINIMUM REQUIREMENTS.—The Secretary shall require that an application contain at a minimum—

"(A) a request for an implementation grant, specifying the amount of the grant requested and its proposed uses;

"(B) a description of the applicant and a statement of its qualifications, including a description of the applicant's past experience with housing rehabilitation or construction and with youth and youth education and employment training programs, and its relationship with local unions and apprenticeship programs, and other community groups;

"(C) a description of the proposed site for the program;

"(D) a description of the educational and job training activities, work opportunities, and other services that will be provided to participants;

"(E) a description of the proposed construction or rehabilitation activities to be undertaken and the anticipated schedule for carrying out such activities;

"(F) a description of the manner in which eligible youths will be recruited and selected, including a description of arrangements which will be made with community-based organizations, State and local educational agencies, public assistance agencies, the courts of jurisdiction for status and youth offenders, shelters for homeless individuals and other agencies that serve homeless youth, foster care agencies, and other appropriate public and private agencies;

"(G) a description of the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children);

"(H) a description of how the proposed program will be coordinated with other Federal, State, and local activities, including vocational, adult and bilingual education programs, job training provided with funds available under the Job Training Partnership Act and the Family Support Act of 1988, housing and economic development, and programs that receive assistance under section 106 of the Housing and Community Development Act of 1974;

"(I) assurances that there will be a sufficient number of adequately trained supervisory per-

sonnel in the program who have attained the level of journeyman or its equivalent;

"(J) a description of the applicant's relationship with local building trade unions regarding their involvement in training, and the relationship of the Youthbuild program with established apprenticeship programs;

"(K) a description of activities that will be undertaken to develop the leadership skills of participants;

"(L) a detailed budget and a description of the system of fiscal controls and auditing and accountability procedures that will be used to ensure fiscal soundness;

"(M) a description of and commitment for the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the Youthbuild program;

"(N) identification and description of the financing proposed for any—

"(i) rehabilitation;

"(ii) acquisition of the property; or

"(iii) construction;

"(O) identification and description of the entity that will operate and manage the property;

"(P) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located; and

"(Q) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(e) **SELECTION CRITERIA.**—The Secretary shall establish selection criteria for assistance under this section, which shall include—

"(1) the qualifications or potential capabilities of the applicant;

"(2) the feasibility of the Youthbuild program;

"(3) the potential for developing a successful and cost-effective Youthbuild program;

"(4) the need for the prospective project, as determined by the degree of economic distress of the community from which participants would be recruited (such as poverty, youth unemployment, and the number of individuals who have dropped out of high school) and of the community in which the housing proposed to be constructed or rehabilitated would be located (such as incidence of homelessness, shortage of affordable housing, and poverty);

"(5) the commitment of the applicant to leadership development, education, and training of participants;

"(6) preferences for tenant selection, including priority to tenants who were previously homeless and who have incomes of less than 40 percent of the median income for the area; and

"(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established by this subtitle in an effective and efficient manner.

"(f) **APPROVAL.**—The Secretary shall notify each applicant, not later than 4 months after the date of the submission of the application, whether the application is approved or not approved.

"(g) **COMBINED PLANNING AND IMPLEMENTATION GRANT APPLICATION PROCEDURE.**—The Secretary shall develop a procedure under which an applicant may apply at the same time and in a single application for a planning grant and an implementation grant, with receipt of the implementation grant conditioned on successful completion of the activities funded by the planning grant.

#### "SEC. 455. YOUTHBUILD PROGRAM REQUIREMENTS.

"(a) **RESIDENTIAL RENTAL HOUSING.**—Each residential rental housing project receiving assistance under this subtitle shall meet the following requirements:

"(1) **OCCUPANCY BY LOW- AND VERY LOW-INCOME FAMILIES.**—In the project—

"(A) at least 90 percent of the units shall be occupied, or available for occupancy, by individuals and families with incomes less than 60 percent of the area median income, adjusted for family size; and

"(B) the remaining units shall be occupied, or available for occupancy, by low-income families.

"(2) **TENANT PROTECTIONS.**—

"(A) **LEASE.**—The lease between a tenant and an owner of residential rental housing assisted under this subtitle shall be for not less than 1 year, unless otherwise mutually agreed to by the tenant and the owner, and shall contain such terms and conditions as the Secretary shall determine to be appropriate.

"(B) **TERMINATION OF TENANCY.**—An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of residential rental housing assisted under this title except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause. Any termination or refusal to renew must be preceded by not less than 30 days by the owner's service upon the tenant of a written notice specifying the grounds for the action.

"(C) **MAINTENANCE AND REPLACEMENT.**—The owner of residential rental housing assisted under this subtitle shall maintain the premises in compliance with all applicable housing quality standards and local code requirements.

"(D) **TENANT SELECTION.**—The owner of residential rental housing assisted under this subtitle shall adopt written tenant selection policies and criteria that—

"(i) are consistent with the purpose of providing housing for very low-income and low-income families and individuals;

"(ii) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease;

"(iii) give reasonable consideration to the housing needs of families that would qualify for a preference under section 6(c)(4)(A) of the United States Housing Act of 1937; and

"(iv) provide for (I) the selection of tenants from a written waiting list in the chronological order of their application, to the extent practicable, and (II) for the prompt notification in writing of any rejected applicant of the grounds for any rejection.

"(3) **LIMITATION ON RENTAL PAYMENTS.**—Tenants in each project shall not be required to pay rent in excess of the amount provided under section 3(a) of the United States Housing Act of 1937.

"(4) **TENANT PARTICIPATION PLAN.**—For each project owned by a nonprofit organization, the organization shall provide a plan for and follow a program of tenant participation in management decisions.

"(5) **PROHIBITION AGAINST DISCRIMINATION.**—A unit in a project assisted under this subtitle may not be refused for leasing to a family holding tenant-based assistance under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as a holder of such assistance.

"(b) **TRANSITIONAL HOUSING.**—Each transitional housing project receiving assistance under this subtitle shall adhere to the requirements regarding service delivery, housing standards, and rent limitations applicable to comparable housing receiving assistance under title IV of the Stewart B. McKinney Homeless Assistance Act.

"(c) **LIMITATIONS ON PROFITS FOR RENTAL AND TRANSITIONAL HOUSING.**—

"(1) **MONTHLY RENTAL LIMITATION.**—The aggregate monthly rental for each eligible project may not exceed the operating costs of the project (including debt service, management, adequate reserves, and other operating costs) plus a 6 percent return on any equity investment of the project owner.

"(2) **PROFIT LIMITATIONS ON PARTNERS.**—A nonprofit organization that receives assistance under this subtitle for a project shall agree to use any profit received from the operation, sale, or other disposition of the project for the purpose of providing housing for low- and moderate-income families. Profit-motivated partners in a nonprofit partnership may receive—

"(A) not more than a 6 percent return on their equity investment from project operations; and

"(B) upon disposition of the project, not more than an amount equal to their initial equity investment plus a return on that investment equal to the increase in the Consumer Price Index for the geographic location of the project since the time of the initial investment of such partner in the project.

"(d) **HOMEOWNERSHIP.**—Each homeownership project that receives assistance under this subtitle shall comply with the requirements of subtitle B or subtitle C of this title.

"(e) **RESTRICTIONS ON CONVEYANCE.**—The ownership interest in a project that receives assistance under this subtitle may not be conveyed unless the instrument of conveyance requires a subsequent owner to comply with the same restrictions imposed upon the original owner.

"(f) **CONVERSION OF TRANSITIONAL HOUSING.**—The Secretary may waive the requirements of subsection (b) to permit the conversion of a transitional housing project to a permanent housing project only if such housing would meet the requirements for residential rental housing specified in this section.

"(g) **PERIOD OF RESTRICTIONS.**—A project that receives assistance under this subtitle shall comply with the requirements of this section for the remaining useful life of the property.

#### "SEC. 456. ADDITIONAL PROGRAM REQUIREMENTS.

"(a) **ELIGIBLE PARTICIPANTS.**—

"(1) **IN GENERAL.**—Except as provided in paragraph (2), an individual may participate in a Youthbuild program receiving assistance under this subtitle only if such individual is—

"(A) 16 to 24 years of age, inclusive;

"(B) a very low-income individual or a member of a very low-income family; and

"(C) an individual who has dropped out of high school.

"(2) **EXCEPTIONS.**—Not more than 25 percent of the participants in a Youthbuild program receiving assistance under this subtitle may be individuals who—

"(A) do not meet the requirements of paragraph (1)(B), but meet the other requirements of paragraph (1) and are members of low-income families; or

"(B) do not meet the requirement of paragraph (1)(C), but meet the other requirements of paragraph (1) and have educational and job training needs despite the attainment of a high school diploma or its equivalent.

"(3) **PARTICIPATION LIMITATION.**—Any eligible individual selected for full-time participation in a Youthbuild program may be offered full-time participation for a period of not less than 6 months and not more than 24 months.

"(b) **MINIMUM TIME DEVOTED TO EDUCATIONAL SERVICES AND ACTIVITIES.**—A Youthbuild program receiving assistance under this subtitle shall be structured so that 50 percent of the time spent by participants in the program is devoted to educational services and activities, such as those specified in subparagraphs (B) through (F) of section 454(b)(4).

"(c) **AUTHORITY RESTRICTION.**—No provision of this subtitle may be construed to authorize



any agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

"(d) STATE AND LOCAL STANDARDS.—All educational programs and activities supported with funds provided under this subtitle shall be consistent with applicable State and local educational standards. Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in such programs shall be consistent with applicable State and local educational standards.

"(e) WAGES, LABOR STANDARDS, AND NONDISCRIMINATION.—To the extent consistent with the provisions of this subtitle, sections 142, 143 and 167 of the Job Training Partnership Act, relating to wages and benefits, labor standards, and nondiscrimination, shall apply to the programs conducted under this subtitle as if such programs were conducted under the Job Training Partnership Act. This section may not be construed to prevent a recipient of a grant under this subtitle from using funds from non-Federal sources to increase wages and benefits under such programs, if appropriate.

#### "SEC. 457. DEFINITIONS.

"For purposes of this subtitle:

"(1) ADJUSTED INCOME.—The term 'adjusted income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(2) APPLICANT.—The term 'applicant' means a public or private nonprofit agency, including—

"(A) a community-based organization;

"(B) an administrative entity designated under section 103(b)(1)(B) of the Job Training Partnership Act;

"(C) a community action agency;

"(D) a State and local housing development agency;

"(E) a community development corporation;

"(F) a State and local youth service and conservation corps; and

"(G) any other entity eligible to provide education and employment training under other Federal employment training programs.

"(3) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization that—

"(A) maintains, through significant representation on the organization's governing board or otherwise, accountability to low-income community residents and, to the extent practicable, low-income beneficiaries of programs receiving assistance under this subtitle; and

"(B) has a history of serving the local community or communities where a program receiving assistance under this subtitle is located.

"(4) HOMELESS INDIVIDUAL.—The term 'homeless individual' has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act.

"(5) HOUSING DEVELOPMENT AGENCY.—The term 'housing development agency' means any agency of a State or local government, or any private nonprofit organization that is engaged in providing housing for homeless or low-income families.

"(6) INCOME.—The term 'income' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(7) INDIVIDUAL WHO HAS DROPPED OUT OF HIGH SCHOOL.—The term 'individual who has dropped out of high school' means an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a

certificate of equivalency for such diploma, but does not include any individual who has attended secondary school at any time during the preceding 6 months.

"(8) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 1201(a) of the Higher Education Act of 1965.

"(9) LIMITED-ENGLISH PROFICIENCY.—The term 'limited-English proficiency' has the meaning given the term in section 7003 of the Bilingual Education Act.

"(10) LOW-INCOME FAMILY.—The term 'low-income family' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(11) OFFENDER.—The term 'offender' means any adult or juvenile with a record of arrest or conviction for a criminal offense.

"(12) QUALIFIED NONPROFIT AGENCY.—The term 'qualified public or private nonprofit agency' means any nonprofit agency that has significant prior experience in the operation of projects similar to the Youthbuild program authorized under this subtitle and that has the capacity to provide effective technical assistance.

"(13) RELATED FACILITIES.—The term 'related facilities' includes cafeterias or dining halls, community rooms or buildings, appropriate recreation facilities, and other essential service facilities.

"(14) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(15) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

"(16) TRANSITIONAL HOUSING.—The term 'transitional housing' means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

"(17) VERY LOW-INCOME FAMILY.—The term 'very low-income family' has the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(18) YOUTHBUILD PROGRAM.—The term 'Youthbuild program' means any program that receives assistance under this subtitle and provides disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

#### "SEC. 458. MANAGEMENT AND TECHNICAL ASSISTANCE.

"(a) SPONSOR ASSISTANCE.—The Secretary shall enter into contracts with a qualified public or private nonprofit agency to provide appropriate training, information, and technical assistance to sponsors of programs assisted under this subtitle.

"(b) APPLICATION PREPARATION.—Technical assistance may also be provided in the development of program proposals and the preparation of applications for assistance under this subtitle to eligible entities which intend or desire to submit such applications. Community-based organizations shall be given first priority in the provision of such assistance.

"(c) RESERVATION OF FUNDS.—The Secretary shall reserve 5 percent of the amounts available in each fiscal year under section 452(b) to carry out subsections (b) and (c) of this section.

#### "SEC. 459. CONTRACTS.

"Each Youthbuild program shall carry out the services and activities under this subtitle directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act, with State and local educational agencies, institutions of higher education, State and local housing development agencies, or with other public agencies and private organizations.

#### "SEC. 460. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for planning and implementation grants under this subtitle. Any amounts appropriated pursuant to this section shall remain available until expended."

#### Subtitle E—Homeownership Programs

#### SEC. 181. HOPE HOMEOWNERSHIP PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) HOPE FOR PUBLIC AND INDIAN HOUSING HOMEOWNERSHIP.—The first sentence of section 301(c) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa(c)) is amended to read as follows: "There is authorized to be appropriated for grants under this title \$100,000,000 for fiscal year 1993."

(2) HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS.—The first sentence of section 421(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12871(c)) is amended to read as follows: "There is authorized to be appropriated for grants under this subtitle \$100,000,000 for fiscal year 1993."

(3) HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—The first sentence of section 441(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12891(b)) is amended to read as follows: "There is authorized to be appropriated for grants under this subtitle \$200,000,000 for fiscal year 1993."

(b) GRANT SELECTION CRITERIA FOR HOPE FOR PUBLIC AND INDIAN HOUSING.—Section 303(e)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-2(e)(8)) is amended by striking "appreciably".

(c) FAIR MARKET PRICE FOR SALE UNDER HOPE FOR PUBLIC AND INDIAN HOUSING.—Section 305(a) of the United States Housing Act of 1937 (42 U.S.C. 1437aaa-4(a)) is amended by adding at the end the following new sentence: "The Secretary may not approve a homeownership program unless the program provides for the public housing agency to receive fair market compensation for the transfer of the project."

(d) ELIGIBILITY OF MUTUAL HOUSING ASSOCIATIONS FOR GRANTS UNDER HOPE FOR MULTIFAMILY UNITS.—Section 426(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12876(1)) is amended by adding at the end the following new subparagraph:

"(G) A mutual housing association."

(e) ELIGIBLE PROPERTY UNDER HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS.—Section 426(3)(D) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12876(3)(D)) is amended—

(1) by striking the first comma and inserting "or"; and

(2) by striking "or a State or local government" and inserting "or owned or held by a State or local government (or instrumentality of a State or local government) and is not a public housing project with respect to which assistance may be provided under title III of the United States Housing Act of 1937".

(f) PREFERENCE FOR ACQUISITION OF VACANT UNITS UNDER HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—Section 444 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12894) is amended by adding at the end the following new subsection:

"(f) PREFERENCE FOR ACQUISITION OF VACANT UNITS.—Each homeownership program under

this subtitle shall provide that, in making vacant units in eligible properties available for acquisition by eligible families, preference shall be given to eligible families who reside in public or Indian housing."

#### SEC. 182. NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION.

(a) **EXTENSION OF TRUST.**—Section 310 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12859) is amended by striking "on September 30, 1993" and inserting "September 30, 1994".

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 308 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12857) is amended to read as follows:

#### "SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

"(a) **ASSISTANCE.**—There is authorized to be appropriated for assistance payments under this subtitle \$542,360,000 for fiscal year 1993, of which such sums as may be necessary shall be available for use under section 303(e). Any amount appropriated under this subsection shall be deposited in the Fund and shall remain available until expended, subject to the provisions of section 310.

"(b) **CREDIT COSTS.**—There is authorized to be appropriated such sums as may be necessary for fiscal year 1993 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of repayable assistance payments entered into pursuant to this subtitle (a). Any amount appropriated under this subsection shall be deposited in the Fund and shall remain available until expended, subject to the provisions of section 310."

(c) **USE OF TRUST AMOUNTS IN CONNECTION WITH MORTGAGE REVENUE BONDS.**—

(1) **IN GENERAL.**—Section 303 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852) is amended by adding at the end the following new subsection:

"(e) **ASSISTANCE IN CONNECTION WITH HOUSING FINANCED WITH MORTGAGE REVENUE BONDS.**—

"(1) **AUTHORITY AND ELIGIBILITY.**—The Trust shall provide assistance for first-time homebuyers in the form of interest rate buydowns and downpayment assistance under this subsection. Such assistance shall be available only with respect to mortgages for the purchase of residences (A) financed with the proceeds of a qualified mortgage bond (as such term is defined in section 143 of the Internal Revenue Code of 1986), or (B) for which a credit is allowable under section 25 of such Code. To be eligible for assistance under this subsection, homebuyers and mortgages shall also meet the requirements under subsection (b) of this section, except that the certification under subsection (b)(3) shall not be required for assistance under this subsection.

"(2) **LIMITATION OF ASSISTANCE.**—Notwithstanding subsection (a), assistance payments for first-time homebuyers under this subsection shall be provided in the following manners:

"(A) **INTEREST RATE BUYDOWNS.**—Assistance payments to decrease the rate of interest payable on the mortgages by the homebuyers, in an amount not exceeding—

"(i) in the first year of the mortgage, 2.0 percent of the total principal obligation of the mortgage;

"(ii) in the second year of the mortgage, 1.5 percent of the total principal obligation of the mortgage;

"(iii) in the third year of the mortgage, 1.0 percent of the total principal obligation of the mortgage; and

"(iv) in the fourth year of the mortgage, 0.5 percent of the total principal obligation of the mortgage.

"(B) **DOWNPAYMENT ASSISTANCE.**—Assistance payments to provide amounts for downpayments

on mortgages by the homebuyers, in an amount not exceeding 2.5 percent of the principal obligation of the mortgage.

"(3) **AVAILABILITY.**—The Trust may make assistance payments under subparagraphs (A) and (B) of paragraph (2) with respect to a single mortgage of a homebuyer."

(2) **ALLOCATION.**—Section 303(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(d)) is amended—

(A) by inserting "that are not reserved for assistance under subsection (e)" after "subtitle"; and

(B) by adding at the end the following new sentence: "Amounts reserved for assistance under subsection (e) shall not be allocated by State."

(3) **CONFORMING AMENDMENT.**—Section 303(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(a)) is amended by adding at the end the following new paragraph:

"(3) **ASSISTANCE IN CONNECTION WITH MORTGAGE REVENUE BONDS FINANCING.**—Interest rate buydowns and downpayment assistance in the manner provided in subsection (e)."

(d) **ELIGIBILITY OF MANUFACTURED HOME OWNERS.**—Section 303(b)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12852(b)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(D) meets the requirements of subparagraph (A), (B), or (C), except for owning, as a principal residence, a dwelling unit whose structure is—

"(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations; or

"(ii) not in compliance with State, local, or model building codes, or other applicable codes, and can not be brought into compliance with such codes for less than the cost of constructing a permanent structure."

(e) **REGULATIONS.**—The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

#### SEC. 183. NEHEMIAH HOUSING OPPORTUNITY GRANTS.

(a) **HOMEOWNER INCENTIVE.**—Section 604 of the Housing and Community Development Act of 1987 (12 U.S.C. 17151 note) is amended—

(1) in subsection (b)(4), by inserting before the period the following: ", subject to the provisions of subsection (c)"; and

(2) by adding at the end the following new subsection:

"(c) **HOMEOWNER INCENTIVE.**—The nonprofit organization may provide that, upon the sale or transfer of a property purchased with a loan made under this section, any proceeds remaining after repaying the first mortgage shall be distributed in the following order:

"(1) **DOWNPAYMENT.**—The amount of the downpayment made by the seller or transferor upon the purchase of the property shall be paid to the seller or transferor.

"(2) **LOAN AND PROFIT.**—Any amounts remaining after distribution under paragraph (1) shall be shared equally between the Secretary and the seller or transferor, but only to the extent that

the Secretary recovers an amount equal to the amount of the loan made under this section. If such remaining amounts are insufficient for the Secretary to recover the full amount of the loan made under this section, the second mortgage held by the Secretary under subsection (b)(1) shall remain on the property to the extent of the amount unrecovered until the loan is paid in full from any proceeds from the sale or transfer of the property by the purchaser or transferee.

"(3) **PROFIT.**—Any amounts remaining after distribution under paragraphs (1) and (2) shall be paid to the seller or transferor."

(b) **CONFORMING AMENDMENTS.**—Section 606(e)(5) of the Housing and Community Development Act of 1987 (12 U.S.C. 17151 note) is amended—

(1) by inserting "subject to the provisions of section 604(c)," after the comma; and

(2) by inserting "of such loan" after "without repayment".

(c) **APPLICABILITY.**—The amendments made by this section shall apply to any loan made under section 604 of the Housing and Community Development Act of 1987 after July 1, 1990.

#### SEC. 184. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) **AUTHORITY.**—To provide access to sources of private financing to Indian families and Indian housing authorities who otherwise could not acquire housing financing because of the unique legal status of Indian trust land, the Secretary may guarantee not to exceed 100 percent of the unpaid principal and interest due on any loan eligible under subsection (b) made to an Indian family or Indian housing authority.

(b) **ELIGIBLE LOANS.**—Loans guaranteed pursuant to this section shall meet the following requirements:

(1) **ELIGIBLE BORROWERS.**—The loans shall be made only to borrowers who are Indian families or Indian housing authorities.

(2) **ELIGIBLE HOUSING.**—The loan shall be used to construct, acquire, or rehabilitate 1- to 4-family dwellings that are standard housing and are located on trust land or land located in an Indian or Alaska Native area.

(3) **SECURITY.**—The loan may be secured by any collateral authorized under existing Federal law or applicable State or tribal law.

(4) **LENDERS.**—The loan shall be made only by a lender approved by and meeting qualifications established by the Secretary, except that loans otherwise insured or guaranteed by an agency or instrumentality of the Federal Government or made by an organization of Indians from amounts borrowed from the United States shall not be eligible for guarantee under this section. The following lenders are deemed to be approved under this paragraph:

(A) Any mortgagee approved by the Secretary of Housing and Urban Development for participation in the single family mortgage insurance program under title II of the National Housing Act.

(B) Any lender whose housing loans under chapter 37 of title 38, United States Code are automatically guaranteed pursuant to section 1802(d) of such title.

(C) Any lender approved by the Secretary of Agriculture to make guaranteed loans for single family housing under the Housing Act of 1949.

(D) Any other lender that is supervised, approved, regulated, or insured by any agency of the Federal Government.

(5) **TERMS.**—The loan shall—

(A) be made for a term not exceeding 30 years;

(B) bear interest (exclusive of the guarantee fee under section 404 and service charges, if any) at a rate agreed upon by the borrower and the lender and determined by the Secretary to be reasonable, which may not exceed the rate generally charged in the area (as determined by the Secretary) for home mortgage loans not guaran-



teed or insured by any agency or instrumentality of the Federal Government;

(C) involve a principal obligation not exceeding—

(i) an amount equal to the sum of (I) 97 percent of \$25,000 of the appraised value of the property, as of the date the loan is accepted for guarantee, and (II) 95 percent of such value in excess of \$25,000; and

(ii) the amount approved by the Secretary under this section; and

(D) involve a payment on account of the property (i) in cash or its equivalent, or (ii) through the value of any improvements to the property made through the skilled or unskilled labor of the borrower, as the Secretary shall provide.

(c) CERTIFICATE OF GUARANTEE.—

(1) APPROVAL PROCESS.—Before the Secretary approves any loan for guarantee under this section, the lender shall submit the application for the loan to the Secretary for examination. If the Secretary approves the loan for guarantee, the Secretary shall issue a certificate under this paragraph as evidence of the guarantee.

(2) STANDARD FOR APPROVAL.—The Secretary may approve a loan for guarantee under this section and issue a certificate under this paragraph only if the Secretary determines there is a reasonable prospect of repayment of the loan.

(3) EFFECT.—A certificate of guarantee issued under this paragraph by the Secretary shall be conclusive evidence of the eligibility of the loan for guarantee under the provisions of this section and the amount of such guarantee. Such evidence shall be incontestable in the hands of the bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary as security for such obligations.

(4) FRAUD AND MISREPRESENTATION.—This subsection may not be construed to preclude the Secretary from establishing defenses against the original lender based on fraud or material misrepresentation or to bar the Secretary from establishing by regulations in effect on the date of issuance or disbursement, whichever is earlier, partial defenses to the amount payable on the guarantee.

(d) GUARANTEE FEE.—The Secretary shall fix and collect a guarantee fee for the guarantee of loans under this section, which may not exceed the amount equal to 1 percent of the principal obligation of the loan. The fee shall be paid by the lender at time of issuance of the guarantee and shall be adequate, in the determination of the Secretary, to cover expenses and probable losses. The Secretary shall deposit any fees collected under this subsection in the Indian Housing Loan Guarantee Fund established under subsection (i).

(e) LIABILITY UNDER GUARANTEE.—The liability under a guarantee provided under this section shall decrease or increase on a pro rata basis according to any decrease or increase in the amount of the unpaid obligation under the provisions of the loan agreement.

(f) TRANSFER AND ASSUMPTION.—Notwithstanding any other provision of law, any loan guaranteed under this section, including the security given for the loan, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the Federal Government or of any State or the District of Columbia.

(g) DISQUALIFICATION OF LENDERS AND CIVIL MONEY PENALTIES.—

(1) IN GENERAL.—If the Secretary determines that any lender or holder of a guarantee certificate under subsection (c) has failed to maintain adequate accounting records, to adequately service loans guaranteed under this section, to exercise proper credit or underwriting judgment, or has engaged in practices otherwise detrimental to the interest of a borrower or the United States, the Secretary may—

(A) refuse, either temporarily or permanently, to guarantee any further loans made by such lender or holder;

(B) bar such lender or holder from acquiring additional loans guaranteed under this section; and

(C) require that such lender or holder assume not less than 10 percent of any loss on further loans made or held by the lender or holder that are guaranteed under this section.

(2) CIVIL MONEY PENALTIES FOR INTENTIONAL VIOLATIONS.—If the Secretary determines that any lender or holder of a guarantee certificate under subsection (c) has intentionally failed to maintain adequate accounting records, to adequately service loans guaranteed under this section, or to exercise proper credit or underwriting judgment, the Secretary may impose a civil money penalty on such lender or holder in the manner and amount provided under section 536 of the National Housing Act with respect to mortgagees and lenders under such Act.

(3) PAYMENT ON LOANS MADE IN GOOD FAITH.—Notwithstanding paragraphs (1) and (2), the Secretary may not refuse to pay pursuant to a valid guarantee on loans of a lender or holder barred under this subsection if the loans were previously made in good faith.

(h) PAYMENT UNDER GUARANTEE.—

(1) LENDER OPTIONS.—

(A) IN GENERAL.—In the event of default by the borrower on a loan guaranteed under this section, the holder of the guarantee certificate shall provide written notice of the default to the Secretary. Upon providing such notice, the holder of the guarantee certificate shall be entitled to payment under the guarantee (subject to the provisions of this section) and may proceed to obtain payment in one of the following manners:

(i) FORECLOSURE.—The holder of the certificate may initiate foreclosure proceedings in a court of competent jurisdiction (after providing written notice of such action to the Secretary) and upon a final order by the court authorizing foreclosure and submission to the Secretary of a claim for payment under the guarantee, the Secretary shall pay to the holder of the certificate the pro rata portion of the amount guaranteed (as determined pursuant to subsection (e)) plus reasonable fees and expenses as approved by the Secretary. The Secretary shall be subrogated to the rights of the holder of the guarantee and the lender holder shall assign the obligation and security to the Secretary.

(ii) NO FORECLOSURE.—Without seeking a judicial foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a claim for payment under the guarantee and the Secretary shall only pay to such holder for a loss on any single loan an amount equal to 90 percent of the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.

(B) REQUIREMENTS.—Before any payment under a guarantee is made under subparagraph (A), the holder of the guarantee shall exhaust all reasonable possibilities of collection. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States. The Secretary shall then take such action to collect as the Secretary determines appropriate.

(2) ASSIGNMENT BY SECRETARY.—Notwithstanding paragraph (1), upon receiving notice of default on a loan guaranteed under this section from the holder of the guarantee, the Secretary

may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.

(3) LIMITATIONS ON LIQUIDATION.—In the event of a default by the borrower on a loan guaranteed under this section involving a security interest in tribal allotted or trust land, the Secretary shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe or tribes. If the Secretary subsequently proceeds to liquidate the account, the Secretary shall not sell, transfer, or otherwise dispose of or alienate the property except to one of the entities described in the preceding sentence.

(i) INDIAN HOUSING LOAN GUARANTEE FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States the Indian Housing Loan Guarantee Fund for the purpose of providing loan guarantees under this section.

(2) CREDITS.—The Guarantee Fund shall be credited with—

(A) any amounts, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and any collections and proceeds therefrom;

(B) any amounts appropriated under paragraph (7);

(C) any guarantee fees collected under subsection (d); and

(D) any interest or earnings on amounts invested under paragraph (4).

(3) USE.—Amounts in the Guarantee Fund shall be available, to the extent provided in appropriation Acts, for—

(A) fulfilling any obligations of the Secretary with respect to loans guaranteed under this section, including the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of such loans;

(B) paying taxes, insurance, prior liens, expenses necessary to make fiscal adjustment in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed under this section or held by the Secretary;

(C) acquiring such security property at foreclosure sales or otherwise;

(D) paying administrative expenses in connection with this section; and

(E) reasonable and necessary costs of rehabilitation and repair to properties that the Secretary holds or owns pursuant to this section.

(4) INVESTMENT.—Any amounts in the Guarantee Fund determined by the Secretary to be in excess of amounts currently required to carry out this section may be invested in obligations of the United States.

(5) LIMITATION ON COMMITMENTS TO GUARANTEE LOANS AND MORTGAGES.—

(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year only to the extent or in such amounts as are or have been provided in appropriations Acts for such fiscal year.

(B) LIMITATIONS ON COSTS OF GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year only to the extent that amounts in the Guarantee Fund are or have been made available in appropriation Acts to cover the costs (as such term is defined in section 502 of the Congressional Budget

Act of 1974) of such loan guarantees for such fiscal year.

(C) **LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.**—Subject to the limitations in subparagraphs (A) and (B), the Secretary may enter into commitments to guarantee loans under this section in each of fiscal years 1993 and 1994 with an aggregate outstanding principal amount not exceeding such amount as may be provided in appropriation Acts for each such year.

(6) **LIABILITIES.**—All liabilities and obligations of the assets credited to the Guarantee Fund under paragraph (2)(A) shall be liabilities and obligations of the Guarantee Fund.

(7) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Guarantee Fund to carry out this section such sums as may be necessary for each of fiscal years 1993, 1994, and 1995.

(j) **REQUIREMENTS FOR STANDARD HOUSING.**—The Secretary shall, by regulation, establish housing safety and quality standards for use under this section. Such standards shall provide sufficient flexibility to permit the use of various designs and materials in housing acquired with loans guaranteed under this section. The standards shall require each dwelling unit in any housing so acquired to—

(1) be decent, safe, sanitary, and modest in size and design;

(2) conform with applicable general construction standards for the region;

(3) contain a heating system that—

(A) has the capacity to maintain a minimum temperature in the dwelling of 65 degrees Fahrenheit during the coldest weather in the area;

(B) is safe to operate and maintain;

(C) delivers a uniform distribution of heat; and

(D) conforms to any applicable tribal heating code or, if there is no applicable tribal code, an appropriate county, State, or National code;

(4) contain a plumbing system that—

(A) uses a properly installed system of piping;

(B) includes a kitchen sink and a partitioned bathroom with lavatory, toilet, and bath or shower; and

(C) uses water supply, plumbing, and sewage disposal systems that conform to any applicable tribal code or, if there is no applicable tribal code, the minimum standards established by the applicable county or State;

(5) contain an electrical system using wiring and equipment properly installed to safely supply electrical energy for adequate lighting and for operation of appliances that conforms to any applicable tribal code or, if there is no applicable tribal code, an appropriate county, State, or National code;

(6) be not less than—

(A)(i) 570 square feet in size, if designed for a family of not more than 4 persons;

(ii) 850 square feet in size, if designed for a family of not less than 5 and not more than 7 persons; and

(iii) 1020 square feet in size, if designed for a family of not less than 8 persons; or

(B) the size provided under the applicable locally adopted standards for size of dwelling units;

except that the Secretary, upon the request of a tribe or Indian housing authority, may waive the size requirements under this paragraph; and

(7) conform with the energy performance requirements for new construction established by the Secretary under section 526(a) of the National Housing Act.

(k) **DEFINITIONS.**—For purposes of this section:

(1) The term "family" means 1 or more persons maintaining a household, as the Secretary shall by regulation provide.

(2) The term "Guarantee Fund" means the Indian Housing Loan Guarantee Fund established under subsection (i).

(3) The term "Indian" means person recognized as being Indian or Alaska Native by an Indian tribe, the Federal Government, or any State.

(4) The term "Indian area" means the area within which an Indian housing authority is authorized to provide housing.

(5) The term "Indian housing authority" means any entity that—

(A) is authorized to engage in or assist in the development or operation of low-income housing for Indians; and

(B) is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law; or

(ii) by operation of State law providing specifically for housing authorities for Indians, including regional housing authorities in the State of Alaska.

(6) The term "Secretary" means the Secretary of Housing and Urban Development.

(7) The term "standard housing" means a dwelling unit or housing that complies with the requirements established under subsection (j).

(8) The term "tribe" means any tribe, band, pueblo, group, community, or nation of Indians or Alaska Natives.

(9) The term "trust land" means land title to which is held by the United States for the benefit of an Indian or Indian tribe or title to which is held by an Indian tribe subject to a restriction against alienation imposed by the United States.

#### SEC. 185. ASSISTANCE UNDER SECTION 8 FOR HOMEOWNERSHIP.

(a) **AUTHORITY.**—Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), as amended by section 141(a) of this Act, is further amended by adding at the end the following new subsection:

“(u) **HOMEOWNERSHIP OPTION.**—

“(1) **USE OF ASSISTANCE FOR HOMEOWNERSHIP.**—A family receiving tenant-based assistance under this section may receive assistance for occupancy of a dwelling owned by one or more members of the family if the family—

“(A) is a first-time homeowner;

“(B)(i) participates in the family self-sufficiency program under section 23 of the public housing agency providing the assistance; or

“(ii) demonstrates that the family has income from employment or other sources (other than public assistance), as determined in accordance with requirements of the Secretary, that is not less than twice the payment standard established by the public housing agency (or such other amount as may be established by the Secretary);

“(C) except as provided by the Secretary, demonstrates at the time the family initially receives tenant-based assistance under this subsection that one or more adult members of the family have achieved employment for the period as the Secretary shall require;

“(D) participates in a homeownership and housing counseling program provided by the agency; and

“(E) meets any other initial or continuing requirements established by the public housing agency in accordance with requirements established by the Secretary.

“(2) **MONTHLY ASSISTANCE PAYMENT.**—

“(A) **IN GENERAL.**—Notwithstanding any other provisions of this section governing determination of the amount of assistance payments under this section on behalf of a family, the monthly assistance payment for any family assisted under this subsection shall be the amount by which the fair market rent for the area established under subsection (f) exceeds 30 percent of the family's monthly adjusted income; except that the monthly assistance payment shall not exceed the amount by which the monthly homeownership expenses, as determined in accordance with requirements established by the Sec-

retary, exceeds 10 percent of the family's monthly income.

“(B) **EXCLUSION OF EQUITY FROM INCOME.**—For purposes of determining the monthly assistance payment for a family, the Secretary shall not include in family income an amount imputed from the equity of the family in a dwelling occupied by the family with assistance under this subsection.

“(3) **RECAPTURE OF CERTAIN AMOUNTS.**—Upon sale of the dwelling by the family, the Secretary shall recapture from any net proceeds the amount of additional assistance (as determined in accordance with requirements established by the Secretary) paid to or on behalf of the eligible family as a result of paragraph (2)(B).

“(4) **DOWNPAYMENT REQUIREMENT.**—Each public housing agency providing assistance under this subsection shall ensure that each family assisted shall provide from its own resources not less than 80 percent of any downpayment in connection with a loan made for the purchase of a dwelling. Such resources may include amounts from any escrow account for the family established under section 23(d). Not more than 20 percent of the downpayment may be provided from other sources, such as from non-profit entities and programs of States and units of general local government.

“(5) **INELIGIBILITY UNDER OTHER PROGRAMS.**—A family may not receive assistance under this subsection during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.

“(6) **INAPPLICABILITY OF CERTAIN PROVISIONS.**—Assistance under this subsection shall not be subject to the requirements of the following provisions:

“(A) Subsection (f)(2) of this section.

“(B) Subsection (h)(3) of this section.

“(C) Any other provisions of this section governing maximum amounts payable to owners and amounts payable by assisted families.

“(D) Any other provisions of this section concerning contracts between public housing agencies and owners.

“(E) Any other provisions of this Act that are inconsistent with the provisions of this subsection.

“(7) **REVERSION TO RENTAL STATUS.**—

“(A) **FHA-INSURED MORTGAGES.**—If a family receiving assistance under this subsection for occupancy of a dwelling defaults under a mortgage for the dwelling insured by the Secretary under the National Housing Act, the family may not continue to receive rental assistance under this section unless the family (i) transfers to the Secretary marketable title to the dwelling, (ii) moves from the dwelling within the period established or approved by the Secretary, and (iii) agrees that any amounts the family is required to pay to reimburse the escrow account under section 23(d)(4) may be deducted by the public housing agency from the assistance payment otherwise payable on behalf of the family.

“(B) **OTHER MORTGAGES.**—If a family receiving assistance under this subsection defaults under a mortgage not insured under the National Housing Act, the family may not continue to receive rental assistance under this section unless it complies with requirements established by the Secretary.

“(C) **ALL MORTGAGES.**—A family receiving assistance under this subsection that defaults under a mortgage may not receive assistance under this subsection for occupancy of another dwelling owned by one or more members of the family.



“(8) DEFINITION OF FIRST-TIME HOMEOWNER.—For purposes of this subsection, the term ‘first-time homeowner’ means—

“(A) a family, no member of which has had a present ownership interest in a principal residence during the 3 years preceding the date on which the family initially receives assistance for homeownership under this subsection; and

“(B) any other family, as the Secretary may prescribe.

“(9) LIMITATION ON USE OF ASSISTANCE.—The Secretary shall ensure that the total number of dwellings assisted under this subsection at any one time may not exceed 10,000.”.

(b) FAMILY SELF-SUFFICIENCY PROGRAM.—Section 23(d) of the United States Housing Act of 1937 (42 U.S.C. 1437u), as amended by section 106(h) of this Act, is further amended by adding at the end the following new paragraph:

“(4) USE OF ESCROW SAVINGS ACCOUNTS FOR SECTION 8 HOMEOWNERSHIP.—Notwithstanding paragraph (3), a family that uses assistance under section 8(u) to purchase a dwelling may use up to 50 percent of the amount in its escrow account established under paragraph (3) for a downpayment on the dwelling. In addition, after the family purchases the dwelling, the family may use any amounts remaining in the escrow account to cover the costs of major repair and replacement needs of the dwelling. If a family defaults in connection with the loan to purchase a dwelling and the mortgage is foreclosed, the remaining amounts in the escrow account shall be recaptured by the Secretary.”.

(c) USE OF FHA INSURANCE WITH SECTION 8 HOMEOWNERSHIP.—

(1) IN GENERAL.—Section 203 of the National Housing Act (12 U.S.C. 1709) is amended—

(A) in the matter preceding subparagraph (A) in subsection (c)(2), by inserting “or of the General Insurance Fund pursuant to subsection (v)” after “Fund”; and

(B) by adding at the end the following new subsection:

“(v) Notwithstanding section 202 of this title, the insurance of a mortgage under this section in connection with the assistance provided under section 8(u) of the United States Housing Act of 1937 shall be the obligation of the General Insurance Fund created pursuant to section 519 of this title. The provisions of subsections (a) through (h), (j), and (k) of section 204 shall apply to such mortgages, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund, and (2) any excess amounts described in section 204(f)(1) shall be retained by the Secretary and credited to the General Insurance Fund.”.

(2) GENERAL INSURANCE FUND.—Section 519(e) of the National Housing Act (12 U.S.C. 1735c(e)) is amended by inserting after “203(b)” the following: “(except as provided in section 203(v))”.

(3) MORTGAGE INSURANCE TRANSITION PREMIUMS.—The matter preceding paragraph (1) in section 2103(b) of the Omnibus Budget Reconciliation Act of 1990 (12 U.S.C. 1709 note) is amended by inserting “or of the General Insurance Fund pursuant to section 203(v) of the National Housing Act” after “Fund”.

(4) CONFORMING AMENDMENT.—The third sentence of section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)) is amended by striking “(other than a family assisted under section 8(o))” and inserting the following: “(other than a family paying rent under section 8(f)(2) or a family assisted under section 8(u))”.

#### Subtitle F—Implementation

##### SEC. 191. IMPLEMENTATION.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title and the amendments made by this title not later than

the expiration of the 180-day period beginning on the date of the enactment of this Act, except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section).

#### TITLE II—HOME INVESTMENT PARTNERSHIPS

##### SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12724) is amended to read as follows:

##### “SEC. 205. AUTHORIZATION.

“There is authorized to be appropriated to carry out this title \$2,169,440,000 for fiscal year 1993, of which—

“(1) not more than \$14,560,000 shall be for community housing partnership activities authorized under section 233; and

“(2) not more than \$11,440,000 shall be for activities in support of State and local housing strategies authorized under subtitle C.”.

##### SEC. 202. ELIMINATION OF RESTRICTIONS ON NEW CONSTRUCTION.

(a) ELIGIBLE USES OF INVESTMENT.—Section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)) is amended—

(1) in the last sentence of paragraph (2), by striking “paragraph (3) of this subsection or”; and

(2) by redesignating paragraph (4) as paragraph (3).

(b) FORMULA ALLOCATION.—Section 217(b)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(b)(1)) is amended—

(1) by striking subparagraph (A);

(2) in subparagraph (D), by striking “Except as provided in subparagraph (A), the basic formula established under subparagraph (B)” and inserting “The basic formula established under subparagraph (A)”;

(3) in subparagraph (E), by striking “formulas in subparagraph (B)” and inserting “formula in subparagraph (A)”;

(4) in subparagraph (F)—

(A) in the first sentence, by striking “subparagraph (B)” and inserting “subparagraph (A)”;

and

(B) by striking the second sentence;

(5) in subparagraph (G), by striking “formulas in subparagraphs (A) and (B)” and inserting “formula in subparagraph (A)”;

(6) by redesignating subparagraphs (B) through (G) (as amended by this paragraph) as subparagraphs (A) through (F), respectively.

(c) CONFORMING AMENDMENT.—Section 218(g) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748(g)) is amended by striking “Except as provided in section 217(b)(1)(A)(ii), if” and inserting “If”.

##### SEC. 203. USE OF TENANT-BASED RENTAL ASSISTANCE AMOUNTS FOR SECURITY DEPOSITS.

Section 212(a)(3) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)(3)), as so redesignated by section 202(a)(3) of this Act, is amended by adding at the end the following new subparagraph:

“(E) SECURITY DEPOSIT ASSISTANCE.—A jurisdiction using funds provided under this subtitle for tenant-based rental assistance may use such funds to provide loans or grants to very low- and low-income families for security deposits for rental of dwelling units. Any amounts used under this subparagraph shall not be subject to the requirements of subparagraph (A)(ii). An eligible family may be provided security assistance under this subparagraph, rental assistance under this paragraph, or both.”.

##### SEC. 204. MCKINNEY ACT ACTIVITIES FOR HOMELESS PERSONS AS ELIGIBLE USE OF INVESTMENT.

(a) ELIGIBLE USES.—Section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)), as amended by sections 202 and 203 of this Act, is further amended—

(1) in paragraph (1)—

(A) by striking “and” after the last comma; and

(B) by inserting before the period at the end the following: “and to carry out activities under title IV of the Stewart B. McKinney Homeless Assistance Act”; and

(2) by adding at the end the following new paragraph:

“(4) MCKINNEY ACT ACTIVITIES.—A participating jurisdiction may elect to use funds provided under this subtitle to provide assistance to any project established according to requirements under title IV of the Stewart B. McKinney Homeless Assistance Act, except that such funds may be used for the provision of emergency shelter grants under subtitle B of title IV of such Act only if the comprehensive housing affordability strategy for the jurisdiction includes a plan for meeting current emergency shelter needs with transitional or permanent housing within a 5-year period.”.

(b) QUALIFICATION AS AFFORDABLE HOUSING.—Section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745) is amended by adding at the end the following new subsection:

“(c) MCKINNEY ACT ACTIVITIES.—Housing assisted pursuant to section 212(a)(4) shall qualify as affordable housing for purposes of this title.”.

##### SEC. 205. PER UNIT COST LIMITS.

(a) MINIMUM LIMITS.—Section 212(d)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12744(d)(1)) is amended by inserting after the first sentence the following new sentence: “Such limits shall not be less than the per unit dollar amount limitations set forth in section 221(d)(3)(ii) of the National Housing Act, as such limitations may be adjusted in accordance therewith; except that for purposes of this subsection the Secretary shall, by regulation, increase the per unit dollar amount limitations in any geographical area by an amount, not to exceed 140 percent, that equals the amount by which the costs of multifamily housing construction in the area exceed the national average of such costs.”.

(b) DISAPPROVAL OF INTERIM REGULATION.—

(1) PROHIBITION.—The Secretary of Housing and Urban Development may not implement or otherwise make effective the provision described in paragraph (2) or any final rule based on such section.

(2) IDENTIFICATION OF INTERIM RULE.—The provision referred to in paragraph (1) shall be section 92.250 of title 24, Code of Federal Regulation, contained in the interim rule issued by the Secretary of Housing and Urban Development, entitled “HOME Investment Partnerships Program”, and published in the Federal Register of December 16, 1991 (56 Fed. Reg. 65353).

##### SEC. 206. ADMINISTRATIVE COSTS AS ELIGIBLE USE OF INVESTMENT.

(a) ELIGIBLE USE.—Section 212 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742) is amended—

(1) in subsection (c)(1), by inserting “that exceed the amount specified under subsection (c)” before the comma at the end;

(2) by redesignating subsections (c), (d) (as amended by the preceding provisions of this Act), and (e) as subsections (d), (e), and (f), respectively; and

(3) by inserting after subsection (b) the following new subsection:

“(c) ADMINISTRATIVE COSTS.—In each fiscal year, each participating jurisdiction may use

not more than 10 percent of the funds made available under this subtitle to the jurisdiction for such year for any administrative costs of the jurisdiction in carrying out this subtitle, including the costs of the salaries of persons engaged in administering and managing activities assisted with funds made available under this subtitle."

(b) **RECOGNITION OF MATCH.**—Section 220 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750) is amended—

(1) in subsection (b)(2), by striking "shall" and all that follows and inserting "may not be recognized for purposes of subsection (a)."; and

(2) in subsection (c)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

**SEC. 207. QUALIFICATION AS AFFORDABLE RENTAL HOUSING.**

(a) **HOUSING NOT ASSISTED BY LOW-INCOME HOUSING TAX CREDIT.**—Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended—

(1) in paragraph (1)—

(A) by striking the matter preceding subparagraph (A) and inserting the following:

"(1) **IN GENERAL.**—Housing that is for rental shall qualify as affordable housing under this title if the housing—"

(B) in subparagraph (E), by striking "and" at the end;

(C) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following new subparagraph:

"(G) is not a qualified low-income building for purposes of section 42 of the Internal Revenue Code of 1986."; and

(2) in paragraph (3)—

(A) in the first sentence, by inserting "otherwise meeting the requirements of paragraph (1)" after "Housing";

(B) in the last sentence, by inserting "of housing that qualifies as affordable housing pursuant to paragraph (1)" after "Tenants"; and

(C) in the last sentence, by striking "not less than" and inserting "the lesser of the amount payable by the tenant under State or local law or".

(b) **HOUSING ASSISTED BY LOW-INCOME HOUSING TAX CREDIT OR WITHIN QUALIFIED CENSUS TRACT.**—Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended by adding at the end the following new paragraphs:

"(6) **QUALIFICATION OF HOUSING ASSISTED BY LOW-INCOME HOUSING TAX CREDIT.**—Notwithstanding paragraphs (1), (2), (3), and (7), housing that is for rental shall qualify as affordable housing under this title during any period in which the housing meets the requirements of section 42(g)(1) and is rent restricted under section 42(g)(2) of the Internal Revenue Code of 1986.

"(7) **QUALIFICATION OF HOUSING LOCATED IN QUALIFIED CENSUS TRACT.**—

"(A) **IN GENERAL.**—Notwithstanding paragraphs (1) and (6), housing that is for rental shall qualify as affordable housing under this title if—

"(i) the housing is located within a qualified census tract;

"(ii) not more than 33 percent of the units in the housing are occupied by families with qualified incomes who pay as rent an amount not exceeding 30 percent of the adjusted income of a family whose income equals 80 percent of the median income for the area (except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair mar-

ket rents, or unusually high or low family incomes);

"(iii) any families with incomes of not less than 100 percent of the median income for the area who occupy units in the housing pay as rent an amount equal to not less than 30 percent of the median income for the area; and

"(iv) not less than 10 percent of the units in the housing are occupied by families with incomes of not more than 35 percent of the area median income.

"(B) **DEFINITIONS.**—For purposes of this paragraph—

"(i) the term 'qualified census tract' means any census tract in which 50 percent or more of the households have an income which is less than 60 percent of the median family income for the area; and

"(ii) the term 'qualified income' means an income that does not exceed 100 percent of the median family income for the area (as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 100 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes)."

(c) **APPLICABILITY.**—The amendments made by this section shall apply with respect to any amounts appropriated to carry out this title for fiscal year 1992 and any fiscal year thereafter.

**SEC. 208. RESALE OF HOMEOWNERSHIP HOUSING.**

Section 215(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by striking paragraph (4) and inserting the following new paragraphs:

"(4) is subject to a requirement that, upon any subsequent sale of the property, any assistance provided for the housing from amounts made available under subtitle A shall be repaid, without interest, to the participating jurisdiction from the net proceeds of the sale;

"(5) is subject to a lien securing repayment to the participating jurisdiction of any such assistance provided for the housing, which—

"(A) shall be subordinate to all mortgages on the property existing on the date that any such assistance payment is first made; and

"(B) in the case of any sale resulting in no net proceeds or net proceeds that are insufficient to repay the amount of the assistance for the housing in full, shall be released to the extent that the debt secured by the lien remains unpaid; and"

**SEC. 209. MATCHING REQUIREMENTS.**

(a) **IN GENERAL.**—Section 220(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(a)) is amended to read as follows:

"(a) **CONTRIBUTION.**—Except as provided in subsection (d), each participating jurisdiction shall make contributions to affordable housing assisted under this title that total, throughout a fiscal year, not less than 10 percent of the total funds drawn from the jurisdiction's HOME Investment Trust Fund in that fiscal year. Such contributions shall be in addition to any amounts made available under section 216(3)(A)(ii)."

(b) **ELIGIBILITY OF DEBT FINANCING FOR MATCH.**—Section 220(c)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(c)(1)) is amended by inserting after the comma the following: "which may include funds provided to affordable housing under this title which are borrowed by the jurisdiction or a public agency of the jurisdiction or obtained by issuing debt instruments, without regard to the source of repayment of such funds, but"

(c) **ELIGIBILITY OF MATERIALS AND SWEAT EQUITY FOR MATCH.**—Section 220(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(c)), as amended by section 206(b) of this Act, is further amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) any other contributions to affordable housing, as the Secretary considers appropriate, which shall include the value of any site-preparation and construction materials and any donated or voluntary labor in connection with the site-preparation for, or construction or rehabilitation of, affordable housing."

(d) **WAIVER OF REQUIREMENT.**—Section 220(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(d)) is amended to read as follows:

"(d) **WAIVER OF REQUIREMENT.**—The Secretary shall waive the applicability of the matching requirement under subsection (a) with respect to any funds drawn from a jurisdiction's HOME Investment Trust Fund Account during a fiscal year for any jurisdiction that is not a State, at the request of the jurisdiction, but only if the jurisdiction meets the requirements under one of the following paragraphs:

"(1) **COMBINED ECONOMIC DISTRESS FACTORS.**—The jurisdiction certifies, before the commencement of such fiscal year, any 3 of the following 5 requirements:

"(A) **UNEMPLOYMENT.**—That the average unemployment rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average national unemployment rate during such calendar year (as determined according to information of the Bureau of Labor Statistics of the Department of Labor).

"(B) **LABOR FORCE GROWTH.**—That the rate of growth in the labor force in the jurisdiction for the 2 calendar years immediately preceding the year in which such fiscal year begins was less than 75 percent of the rate of growth in the national labor force during the same 2-year period (as determined according to information of the Bureau of Labor Statistics of the Department of Labor).

"(C) **TAX EFFORT.**—That the ratio of the amount of tax revenue collected per capita in the jurisdiction to the per capita income in the jurisdiction (as determined by the jurisdiction) for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average for all participating jurisdictions of the ratio of tax revenue collected per capita in the participating jurisdiction to the per capita income in the participating jurisdiction (as determined according to information of the Bureau of the Census).

"(D) **POVERTY RATE.**—That the average poverty rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 125 percent of the average national poverty rate during such calendar year (as determined according to information of the Bureau of the Census).

"(E) **PER CAPITA INCOME.**—That the average per capita income in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was less than 75 percent of the average national per capita income during such calendar year (as determined according to information of the Bureau of the Census).

"(2) **SEVERELY HIGH POVERTY RATE OR LOW PER CAPITA INCOME.**—The jurisdiction certifies, before the commencement of such fiscal year, that—



"(A) the average poverty rate in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was equal to or greater than 150 percent of the average national poverty rate during such calendar year (as determined according to information of the Bureau of the Census); or

"(B) the average per capita income in the jurisdiction for the calendar year immediately preceding the year in which such fiscal year begins was less than 50 percent of the average national per capita income during such calendar year (as determined according to information of the Bureau of the Census)."

(e) **APPLICABILITY.**—The amendments made by this section shall apply with respect to fiscal year 1993 and each fiscal year thereafter.

#### SEC. 210. ASSISTANCE FOR INSULAR AREAS.

(a) **REPEAL OF AMENDMENTS MADE BY PUBLIC LAW 102-230.**—

(1) **DEFINITIONS.**—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended to read as if the amendments made by section 2 of Public Law 102-230 (105 Stat. 1720) had not been enacted.

(2) **ALLOCATION OF RESOURCES.**—Section 217(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(a)) is amended—

(A) by striking the first sentence of paragraph (1) and inserting the following new sentence:

"After reserving amounts under paragraph (2) for Indian tribes and after reserving amounts under paragraph (3) for the insular areas, the Secretary shall allocate funds approved in an appropriation Act to carry out this title by formula as provided in subsection (b).";

(B) by striking paragraph (3) (as added by Public Law 102-229; 105 Stat. 1709);

(C) by striking paragraph (3) (as added by Public Law 102-230; 105 Stat. 1720); and

(D) by adding after paragraph (2) the following new paragraph:

"(3) **INSULAR AREAS.**—For each fiscal year, of any amounts approved in appropriation Acts to carry out this title, the Secretary shall reserve for grants to the insular areas the greater of (A) \$750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution, which shall be contained in a regulation issued by the Secretary."

(3) **EXPEDITED ISSUANCE OF REGULATION.**—The regulation referred to in the amendment made by paragraph (2)(D) shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act. The regulation shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall take apply with respect to fiscal year 1993 and thereafter.

#### SEC. 211. USE OF ASSISTANCE TO ESTABLISH COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.

Section 231 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771) is amended—

(1) in subsection (a), by striking the first and second sentences and inserting the following new sentence: "A jurisdiction receiving funds under subtitle A shall reserve not less than 15 percent of such funds for the period determined under subsection (c) for investment only in housing to be developed, sponsored, or owned by community housing development organizations or for the development under subsection (b) of community housing development organizations."

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b) **IDENTIFICATION AND ESTABLISHMENT OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.**—

"(1) **IDENTIFICATION.**—Each participating jurisdiction shall make reasonable efforts to identify community housing development organizations that are capable or can reasonably be expected to become capable of carrying out elements of the jurisdiction's housing strategy and to encourage such community housing development organizations to do so.

"(2) **ESTABLISHMENT.**—Any participating jurisdiction that cannot, pursuant to paragraph (1), identify any community housing development organization serving the jurisdiction may use not more than 5 percent of any funds reserved under subsection (a) to provide technical assistance in establishing a community housing development organization."; and

(4) in subsection (c) (as so redesignated by paragraph (2) of this section)—

(A) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(B) by striking "(c) RECAPTURE AND REUSE.—If" and inserting the following:

"(c) **RECAPTURE AND REUSE.**—

"(1) **IN GENERAL.**—Except as provided in paragraph (2), if"; and

(C) by adding at the end the following new paragraph:

"(2) **EXTENSION FOR JURISDICTIONS ESTABLISHING COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.**—With respect to any participating jurisdiction that (A) uses funds reserved under subsection (a) (as provided in subsection (b)(2)), and (B) for which is established, during the 18-month period after the funds are made available, a community housing development organization that is capable (or can reasonably be expected to become capable) of carrying out elements of the jurisdiction's housing strategy, the Secretary may not recapture and reuse any funds reserved under subsection (a) and not invested unless the funds remain uninvested 18 months after the expiration of the 18-month period under paragraph (1)."

#### SEC. 212. HOUSING EDUCATION AND ORGANIZATIONAL SUPPORT FOR COMMUNITY LAND TRUSTS.

(a) **COMMUNITY LAND TRUSTS.**—Section 233 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773) is amended—

(1) in subsection (a)(2), by inserting ", including community land trusts," after "organizations";

(2) in subsection (b), by adding at the end the following new paragraph:

"(6) **COMMUNITY LAND TRUSTS.**—Organizational support, technical assistance, education, training, and continuing support under this subsection may be made available to community land trusts (as such term is defined in subsection (f)) and to community groups for the establishment of community land trusts."

(3) in subsection (e)—

(A) by striking "SINGLE-STATE CONTRACTORS." and inserting "USE OF AMOUNTS.—"; and

(B) by adding at the end the following new sentence: "Not less than 10 percent of the funds made available for this section in any appropriation Act shall be made available only for eligible contractors with specific expertise in the establishment, organization, and management of community land trusts to carry out activities under subsection (b)(6)."; and

(4) by adding at the end the following new subsection:

"(f) **DEFINITION OF COMMUNITY LAND TRUST.**—For purposes of this section, the term

'community land trust' means a community housing development organization (except that the requirement under section 104(6)(B) shall not apply for purposes of this subsection)—

"(1) that is not sponsored by a for-profit organization;

"(2) that is established to carry out the activities under paragraph (3);

"(3) that—

"(A) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

"(B) transfers ownership of any structural improvements located on such leased parcels to the lessees; and

"(C) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity;

"(4) whose corporate membership that is open to any adult resident of a particular geographic area specified in the bylaws of the organization; and

"(5) whose board of directors—

"(A) includes a majority of members who are elected by the corporate membership; and

"(B) is composed of equal numbers of (i) lessees pursuant to paragraph (3)(B), (ii) corporate members who are not lessees, and (iii) any other category of persons described in the bylaws of the organization.".

(b) **WOMEN IN HOMEBUILDING.**—Section 233 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773), as amended by subsection (a) of this section, is further amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "and" at the end; and

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) to achieve the purposes under paragraphs (1) and (2) by helping women who reside in low- and moderate-income neighborhoods rehabilitate and construct housing in the neighborhoods."

(2) in subsection (b), by adding after paragraph (6) (as added by subsection (a)(2) of this section) the following new paragraph:

"(7) **FACILITATING WOMEN IN HOMEBUILDING PROFESSIONS.**—Technical assistance may be made available to businesses, unions, and organizations involved in construction and rehabilitation of housing in low- and moderate-income areas to assist women residing in the area to obtain jobs involving such activities, which may include facilitating access by such women to, and providing, apprenticeship and other training programs regarding nontraditional skills, recruiting women to participate in such programs, providing continuing support for women at job sites, counseling and educating businesses regarding suitable work environments for women, providing information to such women regarding opportunities for establishing small housing construction and rehabilitation businesses, and providing materials and tools for training such women (in an amount not exceeding 10 percent of any assistance provided under this paragraph). The Secretary shall give priority under this paragraph to providing technical assistance for organizations rehabilitating single family or multifamily housing owned or controlled by the Secretary pursuant to title II of the National Housing Act and which have women members in occupations in which women constitute 25 percent or less of the total number of workers in the occupation (in this section referred to as 'non-traditional occupations')."

(3) in subsection (c)(1)—

(A) in subparagraph (C), by striking "and" at the end;

(B) in subparagraph (D), by striking "or" at the end and inserting "and"; and

(C) by adding at the end the following new subparagraph:

"(E) in the case of activities under subsection (b)(7), is a community-based organization (as such term is defined in section 4 of the Job Training Partnership Act) or public housing agency, which has demonstrated experience in preparing women for apprenticeship training in construction or administering programs for training women for construction or other non-traditional occupations (and such organizations may use assistance for activities under such subsection to employ women in housing construction and rehabilitation activities to the extent that the organization has the capacity to conduct such activities); or"; and

(4) in subsection (e), by adding after the period at the end of the sentence added by subsection (a)(3)(B) of this section the following new sentence: "The Secretary shall provide assistance under this section to contractors in each of the geographic regions having a regional office of the Department of Housing and Urban Development (subject only to the absence of applications from eligible organizations)."

#### SEC. 213. LAND BANK REDEVELOPMENT.

(a) PRIORITIES FOR CAPACITY DEVELOPMENT.—Section 242 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12782) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(6) facilitate the establishment and efficient operation of land bank programs, under which title to vacant and abandoned parcels of real estate located in or causing blighted neighborhoods is cleared for use of the real estate by the unit of general local government in the best interests of the unit of general local government."

(b) USE OF FUNDS.—Section 243 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12783) is amended by adding at the end the following new subsection:

"(c) USE OF FUNDS.—Not less than 5 percent of the amounts available to carry out this subtitle in each fiscal year shall be used for activities under section 242(6)."

#### SEC. 214. RESEARCH IN PROVIDING AFFORDABLE HOUSING THROUGH INNOVATIVE BUILDING TECHNIQUES AND TECHNOLOGY.

The second sentence of section 244 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12784) is amended by inserting before the period at the end the following: "and particularly through the use of cost-saving innovative building technology and construction techniques".

#### SEC. 215. USE OF INNOVATIVE BUILDING TECHNOLOGIES TO PROVIDE COST-SAVING HOUSING OPPORTUNITIES.

Subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12801 et seq.) is amended by adding at the end the following new section:

#### "SEC. 260. COST-SAVING BUILDING TECHNOLOGIES AND CONSTRUCTION TECHNIQUES.

"(a) IN GENERAL.—The Secretary shall make available a model program to utilize cost-saving building technologies and construction techniques for purposes of providing homeownership and rental opportunities under this title, and take reasonable steps to ensure that any units provided under the model program under this section will remain occupied by persons or families eligible for assistance under this title.

"(b) SELECTION CRITERIA.—The Secretary shall establish criteria for participating jurisdic-

tions to select projects for assistance under the model program which may include—

"(1) the extent to which innovative, cost-saving building and construction technologies are utilized;

"(2) the extent to which innovative, cost-saving construction techniques are utilized;

"(3) the extent to which units will be made available to low-income families and individuals;

"(4) the extent to which non-Federal public or private assistance is utilized; and

"(5) any other factor, determined by the Secretary to be appropriate.

"(c) GUIDELINES.—The Secretary shall publish guidelines for the model program under this section not later than 180 days after the date of the enactment of the Housing and Community Development Act of 1992.

"(d) REPORT.—The Secretary shall submit a biennial report to the Congress on the results of the model program under this section."

#### SEC. 216. DEFINITION OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATION.

Section 104(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(6)) is amended—

(1) by striking subparagraph (A);

(2) in subparagraph (B), by striking "and otherwise" and inserting "or otherwise";

(3) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively; and

(4) by adding at the end the following new flush material:

"The Secretary may not limit the criteria for determining if an organization meets the definition of a community housing development organization for purposes of this Act, to a single criterion based on the number or percentage of low-income persons residing in the community that serve as members on the organization's governing board. In the case of an organization serving more than one county, the Secretary may not require that such an organization, to be considered a community housing development organization for purposes of this Act, include as members on the organization's governing board low-income persons residing in each county served."

#### SEC. 217. INCLUSION OF ECHO HOUSING IN DEFINITION OF HOUSING.

Section 104(8) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(8)) is amended by inserting before the period at the end the following: "and elder cottage housing opportunity units that are small, free-standing, barrier-free, energy-efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings".

#### SEC. 218. ELIGIBILITY OF MANUFACTURED HOME OWNERS AS FIRST-TIME HOME-BUYERS.

Section 104(14) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(14)) is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) an individual shall not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is—

"(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations, or

"(ii) not in compliance with State, local, or model building codes, or other applicable codes, and cannot be brought into compliance with

such codes for less than the cost of constructing a permanent structure."

#### SEC. 219. ELIGIBILITY FOR ASSISTANCE AND CONTENTS OF STRATEGIES.

(a) HOMELESSNESS INFORMATION.—Section 105(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(2)) is amended by inserting "including tabular representation of such information," after "with homelessness,".

(b) ANTIDISPLACEMENT PLAN AND ANTI-POVERTY STRATEGY.—Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended—

(1) by striking paragraph (14) and inserting the following new paragraph:

"(14) include a certification that the jurisdiction has in effect and is following a residential antidisplacement and relocation assistance plan that, in any case of any such displacement in connection with any activity assisted with amounts provided under title II, requires the same actions and provides the same rights as required and provided under a residential antidisplacement and relocation assistance plan under section 104(d) of the Housing and Community Development Act of 1974 in the event of displacement in connection with a development project assisted under section 106 or 119 of such Act";

(2) in paragraph (15), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraph:

"(16) for any housing strategy submitted for fiscal year 1994 or any fiscal year thereafter and taking into consideration factors over which the jurisdiction has control, describe the jurisdiction's goals, programs, and policies for reducing the number of households with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually), and, in consultation with other appropriate public and private agencies, state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing strategy will be coordinated with other programs and services for which the jurisdiction is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and"

#### SEC. 220. REGULATIONS.

The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title and the amendments made by this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

#### TITLE III—PRESERVATION OF LOW-INCOME HOUSING

##### SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 234 of the Housing and Community Development Act of 1987 (12 U.S.C. 4124) is amended to read as follows:

##### "SEC. 234. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There is authorized to be appropriated for assistance and incentives authorized under this subtitle \$892,320,000 for fiscal year 1993.

"(b) GRANTS.—Of the amounts made available under subsection (a), not more than \$100,000,000 shall be available for fiscal year 1993 for grants under section 221(d)(2), subject to approval in appropriation Acts."

##### SEC. 302. REVISION OF SHORT TITLE.

(a) IN GENERAL.—Section 201 of the Housing and Community Development Act of 1987 (12



U.S.C. 4101 note) is amended by striking "and Resident Homeownership".

(b) CONFORMING AMENDMENTS.—

(1) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 604(a) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4101 note) is amended by striking "and Resident Homeownership".

(2) HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978.—Section 201(m) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715a-1a(m)) is amended by striking "the Emergency Low Income Housing Preservation Act of 1987" each place it appears and inserting "title II of the Housing and Community Development Act of 1987".

(3) NATIONAL HOUSING ACT.—

(A) Section 229 of the National Housing Act (12 U.S.C. 1715t) is amended by striking "the Emergency Low Income Housing Preservation Act of 1987" and inserting "title II of the Housing and Community Development Act of 1987".

(B) Section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)) is amended—

(i) by striking "the Low-Income Housing Preservation and Resident Homeownership Act of 1990" each place it appears and inserting "the Housing and Community Development Act of 1987"; and

(ii) by striking "Cranston-Gonzalez National Affordable Housing Act" each place it appears and inserting "Housing and Community Development Act of 1987".

(C) Section 250(b) of the National Housing Act (12 U.S.C. 1715z-15(B)) is amended by striking "Low-Income Housing Preservation and Resident Homeownership Act of 1990" and inserting "Housing and Community Development Act of 1987".

**SEC. 303. RESIDUAL RECEIPTS AND RESERVE FOR REPLACEMENT ACCOUNTS.**

(a) PRESERVATION VALUE.—Section 213(b)(2) of the Housing and Community Development Act of 1987 (12 U.S.C. 4103(b)(2)) is amended by inserting before the period at the end the following: "plus the amount in the reserve for replacement account at the time of the transfer of the property".

(b) INCENTIVE FOR TRANSFER TO QUALIFIED PURCHASERS.—Section 220(d)(3)(A) of the Housing and Community Development Act of 1987 (12 U.S.C. 4110(d)(3)(A)) is amended—

(1) by striking "any residual receipts" and all that follows through "(b) or (c) and"; and

(2) by inserting after the period at the end the following new sentence: "The owner may retain amounts that are in the residual receipts account upon transfer of the project without deduction from the sales price.".

(c) INCENTIVES TO EXTEND LOW-INCOME USE.—Section 219(b)(1) of the Housing and Community Development Act of 1987 (12 U.S.C. 4109(b)(1)) is amended by inserting before the period at the end the following: "except that the Secretary may not reduce the authorized annual return determined under section 214(a) as a result of the release of such funds".

**SEC. 304. SUBMISSION OF INFORMATION TO TENANTS.**

(a) LOW-INCOME HOUSING PRESERVATION ACT OF 1990.—Section 217(a)(2) of the Housing and Community Development Act of 1987 (12 U.S.C. 4107(a)(2)) is amended by inserting after the first sentence the following new sentence: "The owner shall simultaneously submit to the tenants supporting information sufficient to prepare a plan and bid for purchasing the housing, which shall include copies of the appraisals conducted of the housing pursuant to section 213 and any information provided to the owner by the Secretary pursuant to section 216.".

(b) EMERGENCY LOW INCOME HOUSING PRESERVATION ACT OF 1987.—For purposes of section 604 of the Cranston-Gonzalez National Afford-

able Housing Act (42 U.S.C. 4101 note), the provisions of section 223(a) of the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715l note), as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act, shall be considered to be amended by inserting after the second sentence the following new sentence: "The owner shall simultaneously submit a copy of the plan of action to the tenants of the housing, together with supporting information sufficient to prepare a plan and bid for purchasing the housing, which shall include a copy of any appraisals conducted of the housing and any information provided to the owner by the Secretary pursuant to this subsection.".

**SEC. 305. APPROVAL OF PLAN OF ACTION.**

Section 218 of the Housing and Community Development Act of 1987 (12 U.S.C. 4108) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) STANDARDS AND PROCEDURE FOR WRITTEN FINDINGS.—

"(1) STANDARDS.—A written finding under subsection (a) shall be based on an analysis of the evidence considered by the Secretary in reaching such finding and shall contain documentation of such evidence.

"(2) PROCEDURE AND CRITERIA.—The Secretary shall, by regulation, develop (A) a procedure for determining whether the conditions under paragraphs (1) and (2) of subsection (a) exist, (B) requirements for evidence on which such determinations are based, and (C) criteria on which such determinations are based.".

**SEC. 306. RECEIPT OF INCENTIVES TO EXTEND LOW-INCOME USE.**

The first sentence of section 219(a) of the Housing and Community Development Act of 1987 (12 U.S.C. 4109(a)) is amended by inserting after "receive" the following: "(for each year after the approval of the plan of action)".

**SEC. 307. ELIMINATION OF WINDFALL PROFITS TEST.**

Section 222 of the Housing and Community Development Act of 1987 (12 U.S.C. 4112) is amended by striking subsection (e).

**SEC. 308. UNIT RENT CRITERIA FOR APPROVAL OF PLAN OF ACTION.**

Section 222(a)(2)(F) of the Housing and Community Development Act of 1987 (12 U.S.C. 4112(a)(2)(F)) is amended by striking "January 1, 1987" and all that follows through "highest proportion of very low-income families" and inserting the following: "the date occurring 1 year before the date on which the notice of intent for the housing was filed pursuant to section 212, or the date the plan of action is approved, whichever date results in the higher proportion of low-income families".

**SEC. 309. RESIDENT HOMEOWNERSHIP PROGRAM.**

Section 226(b) of the Housing and Community Development Act of 1987 (12 U.S.C. 4116(b)) is amended—

(1) in paragraph (2)—

(A) by inserting "AND LIMITATION ON CONDITIONS OF APPROVAL" before the period at the end of the paragraph heading; and

(B) by inserting after the period at the end the following new sentence: "The Secretary may not require the prepayment of the mortgage on eligible low-income housing for the approval of a plan of action involving a homeownership program for the housing.".

(2) in paragraph (3)—

(A) in subparagraph (C), by striking "and" at the end;

(B) in subparagraph (D), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) the low-income affordability restrictions shall continue to apply to any rental units in the housing for any period during which such units remain rental units.".

(3) in paragraph (8), by striking "Resident" and inserting "Except in the case of limited equity cooperatives, resident"; and

(4) in paragraph (10)—

(A) by striking "as determined by the Secretary";

(B) by striking "section 222(d)" and inserting "section 222(c)"; and

(C) by striking the last sentence.

**SEC. 310. INCENTIVES UNDER EMERGENCY LOW INCOME HOUSING PRESERVATION ACT.**

Section 604(c) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4101 note) is amended by inserting after the period at the end the following new sentence: "In making incentives under section 224 of such Act available with respect to housing for which such election is made, the Secretary may not refuse to offer incentives referred to in such section based solely on the date of filing of the plan of action for the housing.".

**SEC. 311. DELEGATED RESPONSIBILITY TO STATE AGENCIES.**

The Secretary of Housing and Urban Development shall issue interim regulations implementing section 227 of the Housing and Community Development Act of 1987 (as amended by section 601(a) of the Cranston-Gonzalez National Affordable Housing Act) not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, which shall take effect upon issuance. The Secretary shall issue final regulations implementing such section 227 after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

**SEC. 312. INSURANCE FOR SECOND MORTGAGE FINANCING.**

(a) TERMS.—Section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)) is amended—

(1) in paragraph (5)(A) by striking "have a maturity and provisions for amortization satisfactory to the Secretary," and inserting "have a term of not less than 40 years,"; and

(2) in paragraph (6), by striking "may" and inserting "shall".

(b) TRANSITION.—Notwithstanding section 241(f) of the National Housing Act (12 U.S.C. 1715z-6(f)), the provisions of such section as in effect immediately before the enactment of the Cranston-Gonzalez National Affordable Housing Act shall apply with respect to any eligible low-income housing for which the owner elects under section 604(a)(1) of the Cranston-Gonzalez National Affordable Housing Act to be subject to the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act).

(c) IMPLEMENTATION.—Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, the Secretary shall issue regulations implementing section 241(f) of the National Housing Act. The regulations shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code.

**SEC. 313. SUPPLEMENTAL LOANS.**

Section 241(b)(1) of the National Housing Act (12 U.S.C. 1715z-6(b)(1)) is amended—

(1) by inserting "(A)" after "(1)";

(2) by inserting "or" after the semicolon at the end; and

(3) by adding at the end the following new subparagraph:

"(B) be available in an amount of up to 100 percent of the replacement cost if the loan is made in conjunction with an approved plan of action under the Low-Income Housing Preservation Act of 1990;"

#### SEC. 314. TECHNICAL AMENDMENTS.

(a) **LOW-INCOME HOUSING PRESERVATION ACT OF 1990.**—The Housing and Community Development Act of 1987 (12 U.S.C. 4101 et seq.) is amended—

(1) in section 215(a)(2), by inserting "Housing" after "United States";

(2) in section 216(b)(4), by striking "exceeds" and inserting "exceed";

(3) in the second sentence of section 221(c), by striking "that" and inserting "than";

(4) in section 222—

(A) in subsection (a)(2)(A), by striking "low income" and inserting "low-income";

(B) in subsection (c)(2), by striking "an hearing" and inserting "a hearing";

(C) in subsection (d)(2)(B), by inserting "the" after "that"; and

(D) in subsection (d)(2)(C)(ii), by inserting "in" before "default";

(5) in section 229(1)(A), by striking "resident" and inserting "residents"; and

(6) in section 231(b), by striking "section 222(d)" and inserting "section 222(c)".

(b) **CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.**—Section 613(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 4125(b)(2)) is amended by striking "section 224(e)" and inserting "section 222(d)".

(c) **NATIONAL HOUSING ACT.**—Section 241(f) of the National Housing Act (12 U.S.C. 17152-6(f)) is amended—

(1) in paragraph (2)(B)(ii), by striking "and" at the end; and

(2) in paragraph (7), by striking "acquisition loan" and inserting "acquisition loan".

#### SEC. 315. REGULATIONS.

Except as otherwise provided in this title, the Secretary of Housing and Urban Development shall issue interim regulations implementing the amendments made by this title not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, which shall take effect upon issuance. The Secretary shall issue final regulations implementing the amendments made by this title after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section). The duration of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

#### SEC. 316. STUDY OF PROJECTS ASSISTED UNDER FLEXIBLE SUBSIDY PROGRAM.

(a) **STUDY.**—The Secretary shall conduct a study of housing projects that (1) are assisted under section 236 of the National Housing Act or the proviso of section 221(d)(5) of such Act, and (2) have received or are receiving assistance under section 201 of the Housing and Community Development Amendments of 1978, to determine the cost of providing such projects with incentives under the Low-Income Housing Preservation Act of 1990. The study shall examine any projects portions of which assisted under such section 236 that are assisted primarily by State agencies.

(b) **REPORT.**—The Secretary shall submit a report to the Congress regarding any findings and conclusions of the study under subsection (a) not later than the expiration of the 1-year pe-

riod beginning on the date of the enactment of this Act.

#### TITLE IV—MULTIFAMILY HOUSING PLANNING AND INVESTMENT STRATEGIES

##### SEC. 401. REQUIRED SUBMISSION.

(a) **IN GENERAL.**—The owner of each covered multifamily housing property, and the owner of each covered multifamily housing property for the elderly, shall submit to the Secretary of Housing and Urban Development a comprehensive needs assessment of the property under this title.

(b) **TIMING.**—The Secretary shall require the owners of approximately one-third of the aggregate number of covered multifamily housing properties, and the owners of approximately one-third of the aggregate number of covered multifamily housing properties for the elderly, to submit the comprehensive needs assessments under this section for the properties in each of fiscal years 1993, 1994, and 1995, in a manner designed to ensure that upon the conclusion of fiscal year 1995 the assessments for all such properties have been submitted.

##### SEC. 402. CONTENTS.

(a) **IN GENERAL.**—Each comprehensive needs assessment submitted under this title for a covered multifamily housing property or a covered multifamily housing property for the elderly shall contain the following information with respect to the property:

(1) A description of any financial or other assistance currently needed for the property to ensure that the property is maintained in a livable condition and to ensure the financial viability of the project.

(2) A description of any financial or other assistance for the property that, at the time of the assessment, is reasonably foreseeable as necessary to ensure that the property is maintained in a livable condition and to ensure the financial viability of the project, during the remaining useful life of the property.

(3) A description of any resources available for meeting the current and future needs of the property described under paragraphs (1) and (2) and the likelihood of obtaining such resources.

(4) A description of any assistance needed for the property under programs administered by the Secretary.

(b) **PROJECTS FOR THE ELDERLY.**—Each comprehensive needs assessment for a covered multifamily housing property for the elderly shall include, in addition to the information required under subsection (a), the following information with respect to the property:

(1) A description of the supportive service needs of such residents and any supportive services provided to elderly residents of the property.

(2) A description of any modernization needs and activities for the property.

(3) A description of any personnel needs for the property.

##### SEC. 403. SUBMISSION AND REVIEW.

(a) **FORM.**—The Secretary shall establish the form and manner of submission of the comprehensive needs assessments under this title.

(b) **RESIDENT REVIEW.**—The Secretary shall require each owner of a covered multifamily housing property and each owner of a covered multifamily housing property for the elderly to make available to the residents of the property the comprehensive needs assessment that is to be submitted to the Secretary. The Secretary shall require each owner to provide for such residents to submit comments and opinions regarding the assessment to the owner before the submission of the assessment.

(c) **STATE HOUSING FINANCE AGENCY REVIEW.**—To the extent that a covered multifamily housing property or a covered multifamily housing property for the elderly is financed or as-

sisted by a State housing finance agency (as such term is defined in section 802 of the Housing and Community Development Act of 1974), the Secretary shall require the owner of the property to submit the comprehensive needs assessment for the property to the State housing finance agency upon submitting the assessment to the Secretary.

(d) **REVIEW.**—The Secretary shall review each comprehensive needs assessment and shall approve the assessment before the expiration of the 90-day period beginning upon the receipt of the assessment, unless the Secretary determines that the assessment has not been provided in a substantially complete manner.

(e) **COST OF PREPARATION OF STRATEGY.**—The Secretary shall consider any costs relating to preparing a comprehensive needs assessment under this title for a covered multifamily housing property that do not exceed \$5000 for the property as an eligible project expense for the property. The Secretary shall provide that an owner may not increase the rental charge for any unit in a covered multifamily housing property to provide for the cost of preparing a comprehensive needs assessment.

(f) **NOTICE.**—The Secretary shall immediately notify each owner submitting a comprehensive needs assessment (and any State housing finance agency to which the owner has submitted an assessment under subsection (d)) of the approval or disapproval of the assessment upon making such determination. Within 30 days after disapproving any assessment, the Secretary shall inform the owner in writing of the reasons for disapproval. The Secretary shall require any owner whose assessment is disapproved to resubmit an amended assessment not later than 30 days after the owner receives the notice of disapproval.

(g) **ANNUAL REVIEW AND REPORT OF FUNDING AND TARGETING FOR COVERED MULTIFAMILY PROPERTIES FOR THE ELDERLY.**—

(1) **REVIEW.**—The Secretary shall annually conduct a comprehensive review of—

(A) the funding levels required to fully address the needs of covered multifamily housing properties for the elderly identified in the comprehensive needs assessments under section 402(b), specifically identifying any expenses necessary to make substantial repairs and add features (such as congregate dining facilities and commercial kitchens) resulting from development of a property in compliance with cost-containment requirements established by the Secretary;

(B) the adequacy of the geographic targeting of resources provided under programs of the Department with respect to covered multifamily housing properties for the elderly, based on information acquired pursuant to section 402(b); and

(C) local housing markets throughout the United States, with respect to the need, availability, and cost of housing for elderly persons and families, which shall include review of any information and plans relating to housing for elderly persons and families included in comprehensive housing affordability strategies submitted by jurisdictions pursuant to section 105 of the Cranston-Gonzalez National Affordable Housing Act.

(2) **REPORT.**—The Secretary of Housing and Urban Development shall submit a report to the Congress annually describing the results of the annual comprehensive needs assessments under section 402 for covered multifamily housing properties for the elderly and the annual review conducted under paragraph (1) of this subsection, which shall contain a description of the methods used by project owners and by the Secretary to acquire the information described in section 402(b) and any findings and recommendations of the Secretary pursuant to the review.



**SEC. 404. DEFINITIONS.**

For purposes of this title:

(1) COVERED MULTIFAMILY HOUSING PROPERTY.—The term "covered multifamily housing property" means any housing—

(A) that is—

(i) reserved for occupancy by very low-income elderly persons pursuant to section 202(d)(1) of the Housing Act of 1959;

(ii) assisted under the provisions of section 202 of the Housing Act of 1959 (as such section existed before the effectiveness of the amendment made by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act);

(iii) financed by a loan or mortgage insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; or

(iv) financed by a loan or mortgage insured or held by the Secretary pursuant to section 221(d)(3) of the National Housing Act; and

(B) that is not eligible for assistance under—

(i) the Low-Income Housing Preservation and Resident Homeownership Act of 1990;

(ii) the provisions of the Emergency Low Income Housing Preservation Act of 1987 (as in effect immediately before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act); or

(iii) the HOME Investment Partnerships Act.

(2) COVERED MULTIFAMILY HOUSING PROPERTY FOR THE ELDERLY.—The term "covered multifamily housing property for the elderly" means any multifamily housing project that was designed or designated to serve, or is serving, elderly persons or families and is assisted under a program administered by the Secretary.

(3) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

**SEC. 405. REGULATIONS.**

The Secretary shall issue final regulations to carry out this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

# **TITLE V—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET**

## **Subtitle A—FHA Mortgage Insurance Programs**

**SEC. 501. LIMITATION ON INSURANCE AUTHORITY.**

Section 531(b) of the National Housing Act (12 U.S.C. 1735f-9(b)) is amended to read as follows:

"(b)(1) Notwithstanding any other provision of law and subject only to the absence of qualified requests for insurance, to the authority provided in this Act, and to the limitation in subsection (a), the Secretary shall enter into commitments to insure mortgages under this Act with an aggregate principal amount of \$66,184,980,000 during fiscal year 1993.

"(2) There is authorized to be appropriated \$631,800,000 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of mortgage insurance obligations entered into under this Act."

**SEC. 502. FEDERAL HOUSING ADMINISTRATION ADVISORY BOARD.**

Section 202(b) of the National Housing Act (12 U.S.C. 1708(b)) is amended by adding at the end the following new paragraph:

"(11) The Board shall terminate on January 1, 1995."

**SEC. 503. MAXIMUM MORTGAGE AMOUNT.**

(a) IN GENERAL.—The first sentence of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended to read as follows: "Involve a principal obligation (including such ini-

tial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in an amount—

"(A) not to exceed the lesser of—

"(i) in the case of a 1-family residence, 95 percent of the median 1-family house price in the area (as determined by the Secretary); in the case of a 2-family residence, 107 percent of such median price; in the case of a 3-family residence, 130 percent of such median price; or in the case of a 4-family residence, 150 percent of such median price; or

"(ii) 75 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (as adjusted annually under such section) for a residence of the applicable size;

except that the applicable dollar amount limitation in effect for any area under this subparagraph (A) may not be less than the dollar amount limitation in effect under this section for the area on May 12, 1992; and

"(B) except as otherwise provided in this paragraph (2), not to exceed an amount equal to the sum of—

"(i) 97 percent of \$25,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance;

"(ii) 95 percent of such value in excess of \$25,000 but not in excess of \$125,000; and

"(iii) 90 percent of such value in excess of \$125,000."

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only to mortgages executed on or after January 1, 1993.

**(c) CONFORMING AMENDMENTS.—**

(1) PROPERTY IMPROVEMENT AND MANUFACTURED HOME LOAN INSURANCE.—The second sentence of section 2(b)(2) of the National Housing Act (12 U.S.C. 1703(b)(2)) is amended by striking "but not" and all that follows through "203(b)(2)" and inserting "but in no case may such limits, as so increased, exceed the lesser of (A) 185 percent of the dollar amount specified, or (B) the dollar amount specified as increased by the same percentage by which 95 percent of the median one-family house price in the area (as determined by the Secretary) exceeds \$67,500."

(2) HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS.—Section 255(g) of the National Housing Act (12 U.S.C. 1715e-20(g)) is amended by striking "for a 1-family residence" and inserting "for 1-family residences in the area in which the dwelling subject to the mortgage under this section is located".

(3) RTC AFFORDABLE HOUSING PROGRAM.—Subparagraphs (D)(ii) and (G)(II) of section 21A(c)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(9)) are each amended by striking "the applicable dollar amount" and all that follows through "areas" and inserting the following: "\$67,500 in the case of a 1-family residence, \$76,000 in the case of a 2-family residence, \$92,000 in the case of a 3-family residence, and \$107,000 in the case of a 4-family residence".

(4) FDIC AFFORDABLE HOUSING PROGRAM.—Paragraphs (4)(B) and (7)(B) of section 40(p) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(p)) are each amended by striking "the applicable dollar amount" and all that follows through "areas" and inserting the following: "\$67,500 in the case of a 1-family residence, \$76,000 in the case of a 2-family residence, \$92,000 in the case of a 3-family residence, and \$107,000 in the case of a 4-family residence".

**SEC. 504. MAXIMUM PRINCIPAL OBLIGATION OF MORTGAGES FOR VETERANS.**

(a) IN GENERAL.—The first sentence of the last undesignated paragraph of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by striking "Notwithstanding any other provision of this paragraph," and insert-

ing "Except with respect to only mortgages executed by mortgagors who are veterans,".

(b) TECHNICAL AMENDMENT.—Section 203(b)(9) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended by striking "(except in a case to which the next to the last sentence of paragraph (2) applies)" and inserting "(except with respect to mortgages executed by a mortgagor who is a veteran)".

**SEC. 505. PROHIBITION ON LIMITATION OF CLOSING COSTS FINANCED.**

Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by inserting after the period at the end the following new sentence: "Notwithstanding the authority of the Secretary to establish the terms of insurance under this section and approve initial service charges, appraisal, inspection and other fees (and subject to any other limitations under this section on the amount of a principal obligation), the Secretary may not (by regulation or otherwise) limit the percentage or amount of any such approved charges and fees that may be included in the principal obligation of a mortgage."

**SEC. 506. PREPURCHASE COUNSELING REQUIREMENT.**

(a) IN GENERAL.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended by inserting after the sentence added by section 505 of this Act the following new undesignated paragraph:

"Notwithstanding any other provision of this paragraph, the Secretary may not insure, or enter into a commitment to insure, a mortgage under this section that involves a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) in excess of 97 percent of the appraised value of the property unless the mortgagor has completed a program of counseling with respect to the responsibilities and financial management involved in homeownership that is approved by the Secretary; except that the Secretary may, in the discretion of the Secretary, waive the applicability of this requirement."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to mortgages for which commitments for insurance are issued after the expiration of the 12-month period beginning on the date of the enactment of this Act.

**SEC. 507. AUTHORITY TO DECREASE INSURANCE PREMIUM CHARGES.**

(a) PERMANENT PROVISIONS.—Section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(2) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding"; and

(B) in clause (ii), by striking "equal to 0.55 percent" and inserting "not exceeding 0.55 percent".

(b) TRANSITION PROVISIONS.—Section 2103(b) of the Omnibus Budget Reconciliation Act of 1990 (12 U.S.C. 1709 note) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "equal to" and inserting "not exceeding"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "equal to" and inserting "not exceeding".

**SEC. 508. STATUTE OF LIMITATIONS FOR DISTRIBUTIVE SHARES.**

(a) 10-YEAR LIMIT.—

(1) IN GENERAL.—Section 205(c) of the National Housing Act (12 U.S.C. 1711(c)) is amended by inserting after the period at the end the following new sentence: "The Secretary may not make any distribution under this subsection to any mortgagor who has not applied for such distribution (in the manner required by the Secretary) before the expiration of the 10-year period beginning upon the date the Secretary first transmitted written notification of the mortgagor's eligibility for a distribution to the last known address of the mortgagor."

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply only to mortgages the insurance obligation for which is terminated after the date of the enactment of this Act.

(b) TRANSFER OF AMOUNTS.—Section 205(e) of the National Housing Act (12 U.S.C. 1711(e)) is amended by adding at the end the following new sentence: "Any amounts in the Participating Reserve Account that are designated for distribution to a mortgagor pursuant to subsection (c) but may not be distributed because of the last sentence of subsection (c) shall be transferred to the General Surplus Account upon the expiration of the period referred to in such sentence."

#### SEC. 509. MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS.

(a) SECTION 207 LIMITS.—Section 207(c)(3) of the National Housing Act (12 U.S.C. 1713(c)(3)) is amended—

(1) by striking "\$25,350", "\$28,080", "\$33,540", "\$41,340", and "\$46,800" and inserting "\$30,420", "\$33,696", "\$40,248", "\$49,608", and "\$59,160", respectively;

(2) by striking "\$29,250", "\$32,760", "\$40,170", "\$50,310", and "\$56,885" and inserting "\$35,100", "\$39,312", "\$48,204", "\$60,372", and "\$68,262", respectively; and

(3) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(b) SECTION 213 LIMITS.—Section 213(b)(2) of the National Housing Act (12 U.S.C. 1715e(b)(2)) is amended—

(1) by striking "\$25,350", "\$28,080", "\$33,540", "\$41,340", and "\$46,800" and inserting "\$30,420", "\$33,696", "\$40,248", "\$49,608", and "\$59,160", respectively;

(2) by striking "\$29,250", "\$32,760", "\$40,170", "\$50,310", and "\$56,885" and inserting "\$35,100", "\$39,312", "\$48,204", "\$60,372", and "\$68,262", respectively; and

(3) by inserting after "sound standards of construction and design," the following: "Provided further, That the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended—

(1) by striking "\$25,350", "\$28,080", "\$33,540", "\$41,340", and "\$46,800" and inserting "\$30,420", "\$33,696", "\$40,248", "\$49,608", and "\$59,160", respectively;

(2) by striking "\$29,250", "\$32,760", "\$40,170", "\$50,310", and "\$56,885" and inserting "\$35,100", "\$39,312", "\$48,204", "\$60,372", and "\$68,262", respectively; and

(3) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

accordance with procedures established in regulations issued by the Secretary;"

(d) SECTION 221(d)(3) LIMITS.—Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(3)(ii)) is amended—

(1) by striking "\$28,032", "\$32,321", "\$38,979", "\$49,893", "\$55,583", "\$29,500", "\$33,816", "\$41,120", "\$53,195", and "\$58,392" and inserting "\$33,638", "\$38,785", "\$46,775", "\$59,872", "\$66,700", "\$35,400", "\$40,579", "\$49,344", "\$63,834", and "\$70,070", respectively; and

(2) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(e) SECTION 221(d)(4) LIMITS.—Section 221(d)(4)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(4)(ii)) is amended—

(1) by striking "\$25,228", "\$28,636", "\$34,613", "\$43,446", "\$49,231", "\$27,251", "\$31,239", "\$37,986", "\$49,140", and "\$53,942" and inserting "\$30,274", "\$34,363", "\$41,536", "\$52,135", "\$59,077", "\$32,701", "\$37,487", "\$45,583", "\$58,968", and "\$64,730", respectively; and

(2) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(f) SECTION 231 LIMITS.—Section 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended—

(1) by striking "\$23,985", "\$26,813", "\$32,019", "\$38,532", and "\$45,300" and inserting "\$28,782", "\$32,176", "\$38,423", "\$46,238", and "\$54,360", respectively;

(2) by striking "\$27,251", "\$31,239", "\$37,986", "\$49,140", and "\$53,942" and inserting "\$32,701", "\$37,487", "\$45,583", "\$58,968", and "\$64,730", respectively; and

(3) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(g) SECTION 234 LIMITS.—Section 234(e)(3) of the National Housing Act (12 U.S.C. 1715y(e)(3)) is amended—

(1) by striking "\$25,350", "\$28,080", "\$33,540", "\$41,340", and "\$46,800" and inserting "\$30,420", "\$33,696", "\$40,248", "\$49,608", and "\$59,160", respectively;

(2) by striking "\$29,250", "\$32,760", "\$40,170", "\$50,310", and "\$56,885" and inserting "\$35,100", "\$39,312", "\$48,204", "\$60,372", and "\$68,262", respectively; and

(3) by inserting after "sound standards of construction and design," the following: "and except that the foregoing dollar amount limitations contained in this paragraph shall be increased on an annual basis by a factor corresponding to the Consumer Price Index, in accordance with procedures established in regulations issued by the Secretary;"

(h) REGULATIONS.—The Secretary of Housing and Urban Development shall issue regulations necessary to carry out the amendments made by subsections (a) through (g), which shall take effect not later than the expiration of the 1-year period beginning on the date of the enactment of this Act.

#### (i) CONFORMING AMENDMENTS.—

(1) RTC AFFORDABLE HOUSING PROGRAM.—Clauses (i)(II) and (ii)(II) of section 21A(c)(9)(E)

of the Federal Home Loan Bank Act (12 U.S.C. 1441a(c)(9)(E)) are each amended by striking "the applicable dollar amount" and all that follows through "areas" and inserting the following: "for such part of the property as may be attributable to dwelling use (excluding exterior land improvements), \$29,500 per family unit without a bedroom, \$33,816 per family unit with 1 bedroom, \$41,120 per family unit with 2 bedrooms, \$53,195 per family unit with 3 bedrooms, and \$58,392 per family unit with 4 or more bedrooms".

(2) FDIC AFFORDABLE HOUSING PROGRAM.—Section 40(p)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1831q(p)(5)) is amended by striking "the applicable dollar amount" and all that follows through "areas" and inserting the following: "for such part of the property as may be attributable to dwelling use (excluding exterior land improvements), \$29,500 per family unit without a bedroom, \$33,816 per family unit with 1 bedroom, \$41,120 per family unit with 2 bedrooms, \$53,195 per family unit with 3 bedrooms, and \$58,392 per family unit with 4 or more bedrooms".

#### SEC. 510. INSURANCE OF LOANS FOR OPERATING LOSSES OF MULTIFAMILY PROJECTS.

Section 223(d) of the National Housing Act (12 U.S.C. 1715n(d)) is amended by adding at the end the following new paragraph:

"(6) In determining the amount of an operating loss loan to be insured pursuant to this subsection, the Secretary shall not reduce such amount solely to reflect any amounts placed in escrow (at the time the existing project mortgage was insured) for initial operating deficits."

#### SEC. 511. ELIGIBILITY OF ASSISTED LIVING FACILITIES FOR MORTGAGE INSURANCE UNDER SECTION 232.

(a) PURPOSE.—Section 232(a) of the National Housing Act (12 U.S.C. 1715u(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "either" and inserting "any"; and

(2) by adding at the end the following new paragraph:

"(3) The development of assisted living facilities for the care of frail elderly persons."

(b) DEFINITIONS.—Section 232(b) of the National Housing Act (12 U.S.C. 1715u(b)) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) the term 'assisted living facility' means a public facility, proprietary facility, or facility of a private nonprofit corporation that—

"(A) is licensed and regulated by the State (or if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located);

"(B) makes available to residents supportive services to assist the residents in carrying out activities of daily living, such as bathing, dressing, eating, getting in and out of bed or chairs, walking, going outdoors, using the toilet, laundry, home management, preparing meals, shopping for personal items, obtaining and taking medication, managing money, using the telephone, or performing light or heavy housework, and which may make available to residents home health care services, such as nursing and therapy; and

"(C) provides separate dwelling units for residents, each of which contains a full kitchen and bathroom, and which includes common rooms and other facilities appropriate for the provision of supportive services to the residents of the facility; and

"(7) the term 'frail elderly person' has the meaning given the term in section 802(k) of the



Cranston-Gonzalez National Affordable Housing Act."

(c) **MORTGAGE REQUIREMENTS.**—Section 232(d) of the National Housing Act (12 U.S.C. 1715w(d)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting "assisted living facility," before "or intermediate care facility"; and

(B) by striking "combined nursing home and intermediate care facility" and inserting "any combination of nursing home, assisted living facility, and intermediate care facility";

(2) in paragraph (2), in the matter preceding subparagraph (A), by inserting "or 100 percent of the estimated value of the property or project in the case of a mortgagor that is a private non-profit corporation or association (under the meaning given such term for purposes of section 221(d)(3) of this Act)," before "including"; and

(3) in paragraph (4), by adding at the end the following new subparagraph:

"(C) With respect to assisted living facilities or any such facility combined with any other home or facility, the Secretary shall not insure any mortgage under this section unless—

"(i) the Secretary determines that the level of financing acquired by the mortgagor and any other resources available for the facility will be sufficient to ensure that the facility contains dwelling units and facilities for the provision of supportive services in accordance with subsection (b)(6);

"(ii) the mortgagor provides assurances satisfactory to the Secretary that each dwelling unit in the facility will not be occupied by more than 1 person without the consent of all such occupants; and

"(iii) the appropriate State licensing agency for the State, municipality, or other political subdivision in which the facility is or is to be located provides such assurances as the Secretary considers necessary that the facility will comply with any applicable standards and requirements for such facilities."

(d) **FIRE SAFETY EQUIPMENT.**—Section 232(i)(1) of the National Housing Act (12 U.S.C. 1715w(i)(1)) is amended by inserting "assisted living facilities," after "nursing homes".

(e) **ADMINISTRATION.**—Section 232 of the National Housing Act (12 U.S.C. 1715w) is amended by adding at the end the following new subsection:

"(j) The Secretary shall establish schedules and deadlines for the processing and approval (or provision of notice of disapproval) of applications for mortgage insurance under this section. The Secretary shall submit a report to the Congress annually describing such schedules and deadlines and the extent of compliance by the Department with the schedules and deadlines during the year."

(f) **AUTHORITY TO INSURE REFINANCING.**—Section 223(f) of the National Housing Act (12 U.S.C. 1715n(f)) is amended by inserting "existing assisted living facility," after "existing nursing home," each place it appears.

**SEC. 512. AUTHORIZATION OF APPROPRIATIONS FOR MULTIFAMILY HOUSING MORTGAGE INSURANCE FIELD OFFICE STAFF.**

There is authorized to be appropriated to the Secretary of Housing and Urban Development \$100,000,000 for fiscal year 1992, which amounts shall be used to provide staff in regional, field, or zone offices of the Department of Housing and Urban Development to review, process, approve, and service applications for mortgage insurance under title II of the National Housing Act for housing consisting of 5 or more dwelling units.

**SEC. 513. EXPEDITING INSURANCE FOR ACQUISITION OF RESOLUTION TRUST CORPORATION PROPERTY.**

(a) **IN GENERAL.**—Section 534 of the National Housing Act (12 U.S.C. 1735f-12) is amended—

(1) by inserting "(a) STATE OFFICES.—" after "534."; and

(2) by adding at the end the following new subsection:

"(b) **EXPEDITED PROCEDURE FOR RTC PROPERTIES.**—To assist the Resolution Trust Corporation in disposing of the property to which it acquires title and to ensure the timely processing of applications for insurance of loans and mortgages under this Act that will be used to purchase multifamily residential property from the Resolution Trust Corporation, the Secretary shall establish an expedited procedure for considering such applications."

(b) **IMPLEMENTATION.**—The procedure referred to in the amendment made by subsection (a) shall be established through interim and final regulations issued by the Secretary. The Secretary shall issue interim regulations implementing the procedure not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, which shall be effective upon issuance. The Secretary shall issue final regulations after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section).

**SEC. 514. ENERGY EFFICIENT MORTGAGE PILOT PROGRAM.**

(a) **IN GENERAL.**—The Secretary of Housing and Urban Development shall, within 6 months after the date of the enactment of this Act, establish an energy efficient mortgage pilot program in 5 States, which shall promote the purchase of new and existing energy efficient residential buildings and the installation of cost-effective improvements in existing residential buildings.

(b) **ELIGIBILITY.**—To be eligible for insurance under the pilot program established under this section a mortgage shall meet the following requirements:

(1) The base loan covered by the mortgage shall be originated by a lender in accordance with title II of the National Housing Act.

(2) The mortgagor shall have a satisfactory income and credit record and shall have an approved application for a base loan.

(3) The cost of cost-effective energy efficiency improvements to the mortgaged property may not exceed 5 percent of the value of the dwelling (not to exceed \$8,000 or \$4,000, whichever is greater).

(c) **AUTHORITY.**—The Secretary of Housing and Urban Development may insure energy efficient mortgages under the pilot program established under this section, and the Secretary shall grant mortgages the authority to—

(1) permit the total loan amount covered by the mortgage to exceed the maximum allowable amount under title II of the National Housing Act by an amount not to exceed 100 percent of the cost of the cost-effective energy efficiency improvements, provided that the mortgagor's request to add the cost of such improvements is received by the mortgagee before funding of the base loan;

(2) hold in escrow all funds provided to the mortgagor to undertake the energy efficiency improvements until the improvements are actually installed; and

(3) transfer or sell the energy efficient mortgage to an appropriate secondary market agency after the mortgage is issued but before the energy efficiency improvements are actually installed.

(d) **PROMOTION OF PILOT PROGRAM.**—The Secretary of Housing and Urban Development shall encourage participation in the energy efficient mortgage pilot program under this section by—

(1) making information available to lending agencies and other appropriate authorities regarding the availability and benefits of energy efficient mortgages;

(2) requiring mortgagees and designated lending authorities to provide written notice of the availability and benefits of the pilot program to mortgagors applying for financing for residential buildings in States designated by the Secretary for participation under the pilot program; and

(3) requiring all applicants for insurance of mortgages on residential buildings under title II of the National Housing Act in States participating under the pilot program to sign a statement stating that they have been informed of the program and understand the procedures of the program and the benefits of energy efficient mortgages.

(e) **TRAINING PROGRAM.**—Not later than 9 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development, in consultation with the National Home Energy Rating System Council and other appropriate organizations, shall establish and implement a program for training personnel at relevant lending agencies, real estate companies, and other appropriate organizations regarding the benefits of energy efficient mortgages and the operation of the pilot program under this section.

(f) **REPORT.**—Not later than 18 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit a report to the Congress describing the effectiveness and implementation of the energy efficient mortgage pilot program under this section, which shall include an assessment of the potential for expanding the pilot program nationwide.

(g) **EXPANSION OF PROGRAM.**—Not later than the expiration of the 2-year period beginning on the date of the implementation of the energy efficient mortgage pilot program under this section, the Secretary of Housing and Urban Development shall expand the pilot program on a nationwide basis, unless the Secretary determines that such an extension would not be practicable and submit to the Congress, before the expiration of such period, a report explaining why the program should not be expanded.

(h) **DEFINITIONS.**—For purposes of this section:

(1) The term "base loan" means any mortgage loan for a residential building eligible for insurance under title II of the National Housing Act or title 38, United States Code, that does not include the cost of cost-effective energy improvements.

(2) The term "cost-effective" means, with respect to energy efficiency improvements to a residential building, improvements that result in the total present value cost of the improvements (including any maintenance and repair expenses) being less than the total present value of the energy saved over the useful life of the improvement, when 100 percent of the cost of improvements is added to the base loan. For purposes of this paragraph, savings and cost-effectiveness shall be determined pursuant to a home energy rating report sufficient for purposes of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or by other technically accurate methods.

(3) The term "energy efficient mortgage" means a mortgage on a residential building that recognizes the energy savings of a home that has cost-effective energy saving construction or improvements (including solar water heaters, solar-assisted air conditioners and ventilators, super-insulation, and insulating glass and film) and that has the effect of not disqualifying a borrower who, but for the expenditures on energy saving construction or improvements, would otherwise have qualified for a base loan.

(4) The term "residential building" means any attached or unattached single family residence.

(i) **RULE OF CONSTRUCTION.**—This section may not be construed to affect any other programs of

the Secretary of Housing and Urban Development for energy-efficient mortgages. The pilot program carried out under this section shall not replace or result in the termination of such other programs.

(j) **REGULATIONS.**—The Secretary shall issue any regulations necessary to carry out this section not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section).

(k) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out this section.

#### **SEC. 515. TITLE I MANUFACTURED HOME LOAN INSURANCE LIMITS.**

Section 2(b)(1) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended by striking subparagraphs (C), (D), and (E) and inserting the following new subparagraphs:

"(C) 70 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), if made for the purpose of financing the purchase of a manufactured home;

"(D) 80 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), if made for the purpose of financing the purchase of a manufactured home and a suitably developed lot on which to place the home;

"(E) the greater of (i) 20 percent of the median 1-family house price in the area, as determined by the Secretary under section 203(b)(2), or (ii) \$13,500, if made for the purpose of financing the purchase, by an owner of a manufactured home which is the principal residence of the owner, of a suitably developed lot on which to place that manufactured home, and if the owner certifies that the owner will place the manufactured home on the lot acquired with such loan within 6 months after the date of such loan;"

#### **SEC. 516. STUDY REGARDING HOME WARRANTY PLANS.**

The Secretary of Housing and Urban Development shall conduct a study of home and builder's warranties and protection plans regarding the construction of, and materials used in, 1- to 4-family dwellings subject to mortgages insured under title II of the National Housing Act. The study shall analyze the extent to which home sellers and builders use such warranties and plans, how such warranties and plans affect the single family mortgage insurance program under the National Housing Act and the solvency of the Mutual Mortgage Insurance Fund, any effects on homeowners of reliance upon such warranties and plans, the cost of inspections of mortgaged homes not covered by such warranties or plans, and any other issues relating to such warranties and plans that the Secretary considers appropriate. The Secretary shall submit a report to the Congress regarding the findings of the study and any recommendations of the Secretary resulting from the study, not later than the expiration of the 12-month period beginning on the date of the enactment of this Act.

#### **Subtitle B—Secondary Mortgage Market Programs**

#### **SEC. 531. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.**

Section 306(g)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(2)) is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to the extent of or

in such amounts as any funding limitation approved in appropriation Acts, the Association shall enter into commitments to issue guarantees under this subsection in an aggregate amount of \$77,700,000,000 during fiscal year 1993. There is authorized to be appropriated \$6,936,000 to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees issued under this Act by the Association."

#### **SEC. 532. AUTHORITY FOR GNMA TO MAKE HARD-SHIP INTEREST PAYMENTS.**

Section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting after the period at the end of the third sentence the following new sentence: "In any case in which (I) Federal law requires the reduction of the interest rate on any mortgage backing a security guaranteed under this subsection, (II) the mortgagor under the mortgage is a person in the military service, and (III) the issuer of such security fails to receive from the mortgagor the full amount of interest payment due, the Association may make payments of interest on the security in amounts not exceeding the difference between the amount payable under the interest rate on the mortgage and the amount of interest actually paid by the mortgagor."

#### **TITLE VI—HOUSING FOR ELDERLY PERSONS, HANDICAPPED PERSONS, AND PERSONS WITH DISABILITIES**

##### **Subtitle A—Supportive Housing Programs**

#### **SEC. 601. SUPPORTIVE HOUSING FOR THE ELDERLY.**

##### **(a) AUTHORIZATIONS OF APPROPRIATIONS.**

(1) **CAPITAL ADVANCES.**—The first sentence of section 202(l)(1) of the Housing Act of 1959 (12 U.S.C. 1701q-1(l)(1)) is amended to read as follows: "There is authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (c)(1) \$685,360,000 for fiscal year 1993."

(2) **PROJECT RENTAL ASSISTANCE.**—Section 202(l)(2) of the Housing Act of 1959 (12 U.S.C. 1701q-1(l)(2)) is amended to read as follows:

"(2) **PROJECT RENTAL ASSISTANCE.**—For the purpose of funding contracts for project rental assistance in accordance with subsection (c)(2), the Secretary may, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating \$765,722,496 for fiscal year 1993."

(b) **TECHNICAL CORRECTIONS.**—Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) in subsection (g)(1), by striking "and persons with disabilities"; and

(2) in subsection (i)(1)(A), by striking "persons with disabilities" and inserting "elderly persons".

##### **(c) ELDER COTTAGE HOUSING.**

(1) **IMPLEMENTATION.**—Section 806(b) of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701q note) is amended to read as follows:

##### **"(b) DEMONSTRATION PROGRAM.**

"(1) **IN GENERAL.**—The Secretary of Housing and Urban Development shall carry out a program to determine the feasibility of including, as an eligible development cost under section 202 of the Housing Act of 1959 and section 811 of the Cranston-Gonzalez National Affordable Housing Act, the cost of purchasing and installing elder cottage housing opportunity units that are small, freestanding, barrier-free, energy efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings. In conducting the demonstration, the Secretary shall determine whether the durability of such units is appropriate for making such units generally eligible for assistance under the programs under such sections.

"(2) **ALLOCATION.**—Notwithstanding any other law, of any amounts available for fiscal year 1993 for capital advances and project rental assistance under sections 202 of the Housing Act of 1959 and 811 of the Cranston-Gonzalez National Affordable Housing Act, the Secretary shall reserve from each such amount such sums as may be necessary to provide not less than 100 units under the demonstration under this subsection in connection with each such section. Any amounts reserved under this paragraph shall be available only for carrying out the demonstration under this subsection and, for purposes of the demonstration, the cost of purchasing and installing an elder cottage housing opportunity unit shall be considered a eligible development cost under sections 202 of the Housing Act of 1959 and 811 of the Cranston-Gonzalez National Affordable Housing Act.

"(3) **REPORT.**—Not later than January 1, 1994, the Secretary shall submit a report to the Congress on the results of the demonstration under this subsection, which shall be based on actual experience in implementing this subsection.

"(4) **IMPLEMENTATION.**—The Secretary shall issue regulations to carry out the demonstration under this subsection not later than the expiration of the 6-month period beginning on the date of the enactment of the Housing and Community Development Act of 1992."

(d) **ACCESS TO RESIDUAL RECEIPTS.**—Section 202(j) of the Housing Act of 1959 (12 U.S.C. 1701q(j)) is amended by adding at the end the following new paragraph:

"(6) **ACCESS TO RESIDUAL RECEIPTS.**—The Secretary shall authorize the owner of a project assisted under this section to use any residual receipts held for the project in excess of \$500 per unit (or in excess of such other amount prescribed by the Secretary based on the needs of the project) for activities to retrofit and renovate the project described under section 802(d)(3) of the Cranston-Gonzalez National Affordable Housing Act, to provide a service coordinator for the project as described in section 802(d)(4) of such Act, or to provide supportive services (as such term is defined in section 802(k) of such Act) to residents of the project. Any owner that uses residual receipts under this paragraph shall submit to the Secretary a report, not less than annually, describing the uses of the residual receipts. In determining the amount of project rental assistance to be provided to a project under subsection (c)(2) of this section, the Secretary may take into consideration the residual receipts held for the project only if, and to the extent that, excess residual receipts are not used under this paragraph."

(e) **CONVERSION OF CERTAIN PROJECTS TO CAPITAL ASSISTANCE.**—The termination by the Secretary of Housing and Urban Development of the loan reservation under section 202 of the Housing Act of 1959 (as in effect before October 1, 1991) for the Torrington Volunteers of American Elderly Housing, Inc. (for project no. 109-EH027), is hereby deemed to be a termination of such reservation upon the conversion of the project to capital advance assistance, as of January 2, 1992, pursuant to the authority under the fourth undesignated paragraph of the item relating to "HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (INCLUDING RESCISSION OF FUNDS)" of title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Public Law 102-139; 105 Stat. 747). The Secretary of Housing and Urban Development shall take any action with respect to the terminated loan reservation, the related reservation of assistance under section 8 of the United States Housing Act of 1937, and any other documentation relating to the project, to provide for the conversion of the project to capital advance assistance and project rental assistance.



**SEC. 602. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.**

(a) **CAPITAL ADVANCES.**—The first sentence of section 811(l)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(l)(1)) is amended to read as follows: "There is authorized to be appropriated for the purpose of funding capital advances in accordance with subsection (d)(1) \$281,840,000 for fiscal year 1993."

(b) **PROJECT RENTAL ASSISTANCE.**—Section 811(l)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(l)(2)) is amended to read as follows:

"(2) **PROJECT RENTAL ASSISTANCE.**—For the purpose of funding contracts for project rental assistance in accordance with subsection (d)(2), the Secretary may, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating \$325,122,688 for fiscal year 1993."

**SEC. 603. REVISED CONGREGATE HOUSING SERVICES PROGRAM.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 802(n)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(n)(1)) is amended by striking the matter preceding subparagraph (A) and inserting the following:

"(1) **AUTHORIZATION AND USE.**—There is authorized to be appropriated to carry out this section \$27,144,000 for fiscal year 1993, of which not more than—"

(b) **REGULATIONS.**—

(1) **INTERIM REGULATIONS.**—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a copy of proposed interim regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act with respect to eligible federally assisted housing (as such term is defined in section 802(k) of such Act) administered by each such Secretary. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, each such Secretary shall publish interim regulations implementing such section 802, which shall take effect upon publication.

(2) **FINAL REGULATIONS.**—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), each such Secretary shall issue final regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

(3) **FAILURE UNDER 1990 ACT.**—This subsection may not be construed to authorize any failure to comply with the requirements of section 802(m) of the Cranston-Gonzalez National Affordable Housing Act.

**SEC. 604. HOPE FOR INDEPENDENCE OF ELDERLY PERSONS AND PERSONS WITH DISABILITIES.**

(a) **SECTION 8 ASSISTANCE.**—Section 803(j) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(j)) is amended to read as follows:

"(j) **SECTION 8 FUNDING.**—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8 of such Act is authorized to be in-

creased by \$36,920,000 on or after October 1, 1992. The amounts made available under this subsection shall be used only in connection with the demonstrations under this section."

(b) **SUPPORTIVE SERVICES AUTHORIZATION.**—Section 803(k) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012(k)) is amended to read as follows:

"(k) **FUNDING FOR SERVICES.**—There is authorized to be appropriated for the Secretary to carry out the responsibilities for supportive services under the demonstrations under this section \$10,816,000, to become available in fiscal year 1993. Any such amounts appropriated under this subsection shall remain available until expended."

(c) **DEMONSTRATION PERIOD.**—Section 803 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012) is amended—

(1) in subsection (a), by striking "beginning on the date of the enactment of this Act" and inserting "determined by the Secretary"; and

(2) in subsection (g)(1), by striking "period" and all that follows and inserting "5-year period referred to in subsection (a)."

(d) **ELIGIBILITY OF PERSONS WITH DISABILITIES.**—Section 803 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8012) is amended—

(1) by striking the section designation and heading and inserting the following:

"SEC. 803. HOPE FOR INDEPENDENCE OF ELDERLY PERSONS AND PERSONS WITH DISABILITIES."

(2) in subsection (a), by inserting "and persons with disabilities" after "frail elderly persons";

(3) in subsection (b)—

(A) in the second sentence, by inserting "or a person with disabilities" after "frail elderly person"; and

(B) in the third sentence, by inserting "and person with disabilities" after "frail elderly person";

(4) in subsection (c)—

(A) in paragraph (1)(C)—

(i) by inserting "and person with disabilities" after "frail elderly person" the first place it appears; and

(ii) by striking "a frail elderly person" and inserting "such persons"; and

(B) in paragraph (1)(D), by inserting "and persons with disabilities" after "frail elderly persons"; and

(C) in paragraph (2), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(5) in subsection (d)—

(A) in paragraph (2), by striking "population of frail elderly persons" and inserting "populations of frail elderly persons and persons with disabilities";

(B) in paragraph (3)—

(i) by inserting "or a person with disabilities" after "frail elderly person" the first place it appears; and

(ii) by striking "selecting frail elderly" and inserting "selecting such";

(C) in paragraph (4), by inserting "and person with disabilities" after "frail elderly person"; and

(D) in paragraphs (7) and (11), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(6) in subsection (e)(1), by inserting "and persons with disabilities" after "frail elderly persons" each place it appears;

(7) in subsection (f), by inserting "and person with disabilities" after "frail elderly person" each place it appears; and

(8) in subsection (g)—

(A) in paragraph (4), by inserting "and persons with disabilities" after "frail elderly";

(B) in paragraph (7)(A)(i), by inserting "and persons with disabilities" after "frail elderly persons"; and

(C) by redesignating paragraphs (2) through (7) (as so amended) as paragraphs (3) through (8), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

"(2) The term 'person with disabilities' has the meaning given the term in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act."

(e) **REGULATIONS.**—

(1) **INTERIM REGULATIONS.**—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing the amendments made by this section. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such amendments, which shall take effect upon publication.

(2) **FINAL REGULATIONS.**—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing the amendments made by this section after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

(f) **APPLICABILITY.**—The amendments made by this section shall apply with respect to fiscal year 1993 and thereafter.

**SEC. 605. HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS.**

(a) **AMENDMENT OF CRANSTON-GONZALEZ NATIONAL HOUSING ACT.**—Whenever in this section an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Cranston-Gonzalez National Affordable Housing Act.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 863 (42 U.S.C. 12912) is amended to read as follows:

"SEC. 863. **AUTHORIZATION OF APPROPRIATIONS.**  
"There is authorized to be appropriated to carry out this subtitle \$162,760,000 for fiscal year 1993."

(c) **DEFINITIONS.**—Section 853 (42 U.S.C. 12902) is amended—

(1) in paragraph (2), by striking "sponsor receiving assistance from a grantee" and inserting "organization eligible to receive assistance under this subtitle";

(2) in paragraph (5), by striking "metropolitan area" and inserting "metropolitan statistical area"; and

(3) by adding at the end the following new paragraphs:

"(11) The term 'city' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

"(12) The term 'eligible person' means a person with acquired immunodeficiency syndrome or a related disease and the family of such person.

"(13) The term 'nonprofit organization' means any nonprofit organization (including a State or locally chartered, nonprofit organization) that—

"(A) is organized under State or local laws;

"(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

"(C) complies with standards of financial accountability acceptable to the Secretary; and

"(D) has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

"(14) The term 'project sponsor' means a nonprofit organization or a housing agency of a State or unit of general local government that contracts with a grantee to receive assistance under this subtitle."

(d) GRANT ELIGIBILITY AND ALLOCATION.—Section 854 (42 U.S.C. 12903) is amended—

(1) in subsection (a), by striking "and units of general local government" and inserting "units of general local government, and nonprofit organizations";

(2) by striking subsection (b) and inserting the following new subsection:

"(b) IMPLEMENTATION OF ELIGIBLE ACTIVITIES.—A grantee shall carry out eligible activities under section 855 through project sponsors. Any grantee that is a State that enters into a contract with a nonprofit organization to carry out eligible activities in a locality shall obtain the approval of the unit of general local government for the locality before entering into the contract."

(3) by striking paragraph (1) of subsection (c) and inserting the following new paragraph:

"(1) FORMULA ALLOCATION.—The Secretary shall allocate 90 percent of the amounts approved in appropriation Acts under section 863 among States and cities whose most recent comprehensive housing affordability strategy (or abbreviated strategy) has been approved by the Secretary under section 105 of this Act. Such amounts shall be allocated as follows:

"(A) 75 percent among—  
 "(i) cities that are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome; and

"(ii) States with more than 1,500 cases of acquired immunodeficiency syndrome outside of metropolitan statistical areas described in clause (i); and

"(B) 25 percent among cities that (i) are the most populous unit of general local government in a metropolitan statistical area having a population greater than 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome, and (ii) have a higher than average per capita incidence of acquired immunodeficiency syndrome.

A single city may receive assistance allocated under subparagraph (A) and subparagraph (B). For purposes of allocating amounts under this paragraph for any fiscal year, the number of cases of acquired immunodeficiency syndrome shall be the number of such cases reported to and confirmed by the Director of the Centers for Disease Control of the Public Health Service as of March 31 of the fiscal year immediately preceding the fiscal year for which the amounts are appropriated and to be allocated."

(4) in subsection (c)(3)—  
 (A) by striking the paragraph heading and inserting "NONFORMULA ALLOCATION.—"; and

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) IN GENERAL.—The Secretary shall allocate 10 percent of the amounts appropriated under section 863 among—

"(i) States and units of general local government that (I) do not qualify for allocation of amounts under paragraph (1); and

"(ii) States, units of general local government, and nonprofit organizations, to fund special projects of national significance."

(5) in the first sentence of subsection (d), by striking "approvable applications submitted by eligible applicants" and inserting "applications submitted by applicants and approved by the Secretary";

(6) in subsection (e), by striking "requirements of subsection (b)" and inserting "other requirements of this section"; and

(7) by adding at the end the following new subsection:

"(f) ADDITIONAL REQUIREMENT FOR CITY FORMULA GRANTEES.—In addition to the other requirements of this section, to be eligible for a grant pursuant to subsection (c)(1), a city shall provide such assurances as the Secretary may require that any grant amounts received will be allocated among eligible activities in a manner that addresses the needs within the metropolitan statistical area in which the city is located, including areas not within the jurisdiction of the city. Any such city shall coordinate with other units of general local government located within the metropolitan statistical area to provide such assurances and comply with the assurances."

(e) LIMITATION ON SPENDING FOR OTHER ACTIVITIES.—Section 855(6) (42 U.S.C. 12904(6)) is amended by inserting before the period at the end the following: "except that activities developed under this paragraph may be assisted only with amounts provided under section 854(c)(3)".

(f) FEES AND LIMITATION ON USE OF GRANT AMOUNTS FOR ADMINISTRATIVE EXPENSES.—Section 856 (42 U.S.C. 12905) is amended—

(1) by striking subsection (d) and inserting the following new subsection:

"(d) PROHIBITION OF FEES.—The recipient shall agree that no fee will be charged to any eligible person for any housing or services provided with amounts from a grant under this subtitle"; and

(2) by adding at the end the following new subsection:

"(g) ADMINISTRATIVE EXPENSES.—

"(1) GRANTEES.—Notwithstanding any other provision of this subtitle, each grantee may use not more than 3 percent of the grant amount for administrative costs relating to administering grant amounts and allocating such amounts to project sponsors.

"(2) PROJECT SPONSORS.—Notwithstanding any other provision of this subtitle, each project sponsor receiving amounts from grants made under this title may use not more than 7 percent of the amounts received for administrative costs relating to carrying out eligible activities under section 855, including the costs of staff necessary to carry out eligible activities."

(g) SHORT-TERM SUPPORTED HOUSING AND SERVICES.—Section 858 (42 U.S.C. 12907) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by inserting before the period at the end the following: "except that health services under this paragraph may only be provided to individuals with acquired immunodeficiency syndrome or related diseases), and providing technical assistance to eligible persons to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments";

(B) by striking paragraphs (4) and (5); and

(C) by adding at the end the following new paragraphs:

"(4) OPERATION.—Providing for the operation of short-term supported housing provided under this section, including the costs of security, operation insurance, utilities, furnishings, equipment, supplies, and other incidental costs.

"(5) ADMINISTRATION.—Providing staff to carry out the program under this section (subject to the provisions of section 856(g))."; and

(2) in subsection (b)—

(A) in paragraph (2)—

(i) by striking subparagraph (B);

(ii) in subparagraph (C), by striking "limitations under subparagraphs (A) and (B)" and in-

serting "limitation under subparagraph (A)"; and

(iii) by redesignating subparagraph (C) (as so amended) as subparagraph (B); and

(B) in paragraph (3), by adding at the end the following new subparagraph:

"(C) WAIVER.—Notwithstanding subparagraphs (A) and (B), the Secretary may waive the applicability of the requirements under such subparagraphs with respect to any individual for which the project sponsor has made a good faith effort to acquire permanent housing (in accordance with paragraph (4)) and has been unable to do so."

(h) RENTAL ASSISTANCE.—

(1) IN GENERAL.—Section 859 (42 U.S.C. 12908) is amended—

(A) by striking the section heading and inserting the following new section heading:

"SEC. 859. RENTAL ASSISTANCE."

(B) in the first sentence of subsection (a)(1), by striking "short-term"; and

(C) by adding at the end the following new subsection:

"(c) ADMINISTRATIVE COSTS.—A project sponsor providing rental assistance under this section may use amounts from any grant received under this section for administrative expenses involved in providing such assistance, subject to the provisions of 856(g)(2)."

(2) CONFORMING AMENDMENT.—Section 855(3) (42 U.S.C. 12904(3)) is amended by striking "short-term".

(i) COMMUNITY RESIDENCES AND SERVICES.—Section 861(c) (42 U.S.C. 12910(c)) is amended—

(1) in paragraph (1)(C), by inserting before the period at the end the following: "and expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases provided for individuals residing in proximity of eligible persons assisted under this subtitle"; and

(2) by striking paragraph (3) and inserting the following new paragraph:

"(3) ADMINISTRATIVE EXPENSES.—For administrative expenses related to the planning and carrying out activities under this section (subject to the provisions of section 856(g))."

(j) ELIGIBILITY OF FAMILIES.—

(1) Section 852 (42 U.S.C. 12901) is amended by inserting "and families of such persons" before the period at the end.

(2) Section 854(c)(3) (42 U.S.C. 12903(c)(3)) is amended by striking "persons with acquired immunodeficiency syndrome" and inserting "eligible persons" each place it appears.

(3) Section 855 (42 U.S.C. 12904) is amended—

(A) in the matter preceding paragraph (1), by striking "such persons with acquired immunodeficiency syndrome" and inserting "eligible persons"; and

(B) in paragraph (5), by striking "with acquired immunodeficiency syndrome".

(4) Section 856(c) (42 U.S.C. 12905(c)) is amended by striking "such individuals" and inserting "such eligible persons".

(5) Section 858(a)(3) (42 U.S.C. 12907(a)(3)) is amended by striking "individuals" and inserting "eligible persons".

(6) Section 859(b)(1) (42 U.S.C. 12908(b)(1)) is amended by striking "individuals" and inserting "eligible persons".

(7) Sections 859(b)(2) and 860(b)(2) (42 U.S.C. 12908(b), 12909(b)(2)) are amended by inserting "with acquired immunodeficiency syndrome or related diseases" after "any individual" each place it appears.

(8) Section 861(a) (42 U.S.C. 12910(a)) is amended by striking "persons with acquired immunodeficiency syndrome or related diseases" and inserting "eligible persons".

(9) Section 861(b)(1)(A)(iv) (42 U.S.C. 12910(b)(1)(A)(iv)) is amended by striking "such individuals" and inserting "such eligible persons".



(10) Section 861(d)(1) (42 U.S.C. 12910(d)(1)) is amended—

(A) in subparagraph (A), by striking "individuals" and inserting "eligible persons"; and

(B) in subparagraph (D), by inserting "with acquired immunodeficiency syndrome or related diseases" after "any individual".

(11) Subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12901 et seq.) is amended by striking "individuals with acquired immunodeficiency syndrome or related diseases" each place it appears in the following provisions and inserting "eligible persons":

(A) Section 856(c).

(B) Section 857.

(C) Section 858—

(i) in subsection (a), in the matter preceding paragraph (1); and

(ii) in subsection (b)(1)(A);

(D) Section 859(a)(1).

(E) Section 861—

(i) in subsection (b); and

(ii) in subsection (d).

(K) REGULATIONS.—

(1) INTERIM REGULATIONS.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section). Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such subtitle (as amended), which shall take effect upon publication.

(2) FINAL REGULATIONS.—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(3), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

#### Subtitle B—Authority for Public Housing Agencies to Provide Designated Public Housing and Assistance for Handicapped and Disabled Families

##### SEC. 621. DEFINITIONS.

Paragraph 3 of section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)) is amended to read as follows:

"(3) PERSONS AND FAMILIES.—

"(A) SINGLE PERSONS.—The term 'families' includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a handicapped person, (iv) a displaced person, (v) the remaining member of a tenant family, and (vi) any other single persons. In no event may any single person under clause (vi) of the first sentence be provided a housing unit assisted under this Act of 2 or more bedrooms. In determining priority for admission to housing under this Act, the Secretary shall give preference to single persons who are elderly, disabled, handicapped, or displaced persons before single persons who are eligible under clause (vi) of the first sentence.

"(B) FAMILIES.—The term 'families', in the cases of elderly families, near-elderly families, disabled families, and handicapped families,

means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, disabled, or handicapped persons, respectively. The term includes, in the cases of elderly families, near-elderly families, disabled families, and handicapped families, 2 or more elderly, near-elderly, disabled, or handicapped individuals living together, and 1 or more such individuals living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

"(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

"(D) ELDERLY PERSON.—The term 'elderly person' means a person who is at least 62 years of age.

"(E) DISABLED PERSON.—The term 'disabled person' means a person who is under a disability as defined in section 223 of the Social Security Act or who has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

"(F) HANDICAPPED PERSON.—A person shall be considered a handicapped person if the person is determined, pursuant to regulations issued by the Secretary, to have an impairment which is expected to be of long-continued and indefinite duration, substantially impedes such person's ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

"(G) DISPLACED PERSON.—The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

"(H) NEAR-ELDERLY PERSON.—The term 'near-elderly person' means a person who is at least 50 years of age but below the age of 62."

##### SEC. 622. AUTHORITY.

(a) IN GENERAL.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

##### "DESIGNATED HOUSING

"SEC. 7. (a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, a public housing agency whose allocation plan under subsection (f) (and any annual update) has been approved by the Secretary may, to the extent provided in the allocation plan, provide public housing projects (or portions of projects) designed or designated for occupancy by (A) only elderly families, (B) only disabled families, (C) only handicapped families, or (D) any combination of such families.

"(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing projects (or portions of projects) that are designed or designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated. Among such types of families, preference for occupancy in such projects (or portions) shall be given according to the preferences for occupancy under section 6(c)(4)(A).

"(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may (pursuant to the approved allocation plan under subsection (f) for the agency) provide that near-elderly families may occupy dwelling units in the project (or portion).

"(4) VACANCY.—Notwithstanding the authority under paragraphs (1) and (2) to designate

public housing projects (or portions of projects) for occupancy by only certain types of families, a public housing agency shall make any dwelling unit that is ready for occupancy in such a project (or portion of a project) that has been vacant for more than 60 consecutive days generally available for occupancy (subject to the requirements of this title) without regard to such designation; except that, during the 2-year period beginning upon the designation of a project (or portion) under paragraph (1), the public housing agency shall be required to make a unit generally available for occupancy under this paragraph only if failure to do so would result in the vacancy rate for the project (or portion) exceeding 10 percent for any period of 60 consecutive days.

"(b) AVAILABILITY OF HOUSING.—

"(1) TENANT CHOICE.—The decision of any family not to occupy or accept occupancy in an appropriate project or assistance made available to the family under this title shall not adversely affect the family with respect to a public housing agency making available occupancy in other appropriate projects in public housing or assistance under this title.

"(2) DISCRIMINATORY SELECTION.—Paragraph (1) shall not apply to any family who decides not to occupy or accept an appropriate dwelling unit in public housing or to accept assistance under this Act because of the race, color, religion, sex, familial status, or national origin of occupants of housing or the surrounding area.

"(3) APPROPRIATENESS OF DWELLING UNITS.—This section may not be construed to require a public housing agency to offer occupancy in any dwelling unit assisted under this Act to any family who is not of appropriate family size for the dwelling unit.

"(c) PROHIBITION OF EVICTIONS.—

"(1) IN GENERAL.—Any tenant who, except for the designation of a project (or portion of a project) under subsection (a)(1), is lawfully residing in a dwelling unit in the project at the time of the effectiveness of the designation, may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) or because of any action taken by the Secretary of Housing and Urban Development or any public housing agency pursuant to this section.

"(2) EXCEPTION.—Notwithstanding paragraph (1), a public housing agency may transfer any tenant residing in a dwelling unit in a project (or portion of a project) designated for occupancy as provided in subsection (a)(1) at the request of the tenant.

"(d) ACCOMMODATION OF HOUSING AND SERVICE NEEDS.—In designing, developing, otherwise acquiring and operating, designating, and providing housing and assistance under this title, each public housing agency shall meet, to the extent practicable, the housing and service needs of eligible families applying for assistance under this title, as provided in any allocation plan of the agency approved under subsection (f). To meet such needs, public housing agencies may, wherever practicable and in accordance with any allocation plan of the agency—

"(1) provide housing in which supportive services are provided, facilitated, or coordinated, mixed housing, shared housing, family housing, group homes, congregate housing under subsection (e), and other housing as the public housing agency considers appropriate;

"(2) carry out major reconstruction of obsolete public housing projects and reconfiguration of public housing dwelling units; and

"(3) provide assistance under section 8.

"(e) CONGREGATE HOUSING.—

"(1) DEFINITION.—For purposes of this section, the term 'congregate housing' means low-rent housing with which there is connected a central dining facility where wholesome and economical meals can be served to occupants.

"(2) OPERATING COSTS.—Expenditures incurred by a public housing agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered a cost of operation of the project.

"(f) ALLOCATION PLANS.—

"(1) REQUIREMENT.—A public housing agency may not designate a project (or portion of a project) for occupancy under subsection (a)(1) unless the agency submits an allocation plan under this subsection and the plan is approved under paragraph (4) of this subsection.

"(2) CONTENTS.—An allocation plan submitted under this subsection by a public housing agency shall—

"(A) provide a description of the types of tenants occupying units in public housing administered by the agency;

"(B) provide a profile of the estimated pool of applicants for such housing for the ensuing 5-year period (based on the comprehensive housing affordability strategy for the jurisdiction in which the area served by the public housing agency is located);

"(C) identify the projects or portions of projects (including the buildings or floors) to be designated for occupancy under subsection (a)(1) for only certain types of families and the types of families who will be eligible for occupancy in such projects (or portions);

"(D) document the number of units in the projects (or portions) identified under subparagraph (C) which became vacant and available for occupancy during the preceding year;

"(E) estimate the number of units in the projects (or portions) identified under subparagraph (C) that will become vacant and available for occupancy during the ensuing 2-year period;

"(F) provide a plan for ensuring that designating projects (or portions of projects) for occupancy under subsection (a)(1), when considered together with affordable housing opportunities for handicapped and disabled families available from the public housing agency, will not result (to the extent practicable) in the public housing agency providing public housing units or assistance for fewer handicapped and disabled families than were assisted by the agency before such designation unless the allocation plan demonstrates that such a reduction is necessary;

"(G) describe how the public housing agency will meet the needs of any families who are residing in a project (or portion) designated for occupancy under subsection (a)(1) but are not the type of family for whom the project (or portion) is designated, including describing any incentives that will be made available to such families to voluntarily move from such projects (or portions);

"(H) state the amount of assistance for handicapped and disabled families under section 8(q) that the public housing agency will apply for during the ensuing 2 fiscal years;

"(I) state the amount of assistance for major reconstruction of obsolete projects to be requested by the public housing agency under section 5(j)(2)(F) for the ensuing 2 fiscal years; and

"(J) state the amount of assistance for development or acquisition of public housing to be requested by the public housing agency under section 5(j)(3) for the ensuing 2 fiscal years.

"(3) DEVELOPMENT.—In preparing the initial allocation plan, or updates of a plan under paragraph (5), for submission under this subsection, a public housing agency shall consult with the State or unit of general local government in whose jurisdiction the area served by the public housing agency is located and shall hold 1 or more public hearings to obtain the views of citizens, public agencies, advocates for the interests of elderly persons, handicapped persons, and disabled persons, and other interested parties.

"(4) APPROVAL.—

"(A) CRITERIA.—The Secretary shall approve an allocation plan, or an updated plan, submitted under this subsection if the Secretary determines that—

"(i) the information contained in the plan is complete and accurate and, based on the information provided in the plan, the projections are reasonable;

"(ii) implementation of the plan will not result in excessive vacancy rates in projects (or portions of projects) identified in paragraph (2)(C); and

"(iii) the plan reasonably ensures compliance with the requirements under paragraph (2)(F).

"(B) NOTIFICATION.—The Secretary shall notify each public housing agency submitting an allocation plan under this subsection in writing of approval or disapproval of the plan. If the Secretary disapproves the plan, the Secretary shall, for a period of not less than 45 days following the date of disapproval, permit amendments to, or resubmission of, the plan. If the Secretary does not notify the public housing agency of approval or disapproval of the initial or revised plan within 45 days after submission of such plan, such plan shall be considered to be approved.

"(C) RULE OF CONSTRUCTION.—The approval of an allocation plan or updated plan under this subsection may not be construed to constitute approval of the request for assistance for major reconstruction of obsolete projects or for assistance for development or acquisition of public housing that are contained in the plan pursuant to subparagraphs (I) and (J) of paragraph (2).

"(5) BIENNIAL UPDATE.—Each public housing agency that owns or operates a project (or portion of a project) that is designated for occupancy under subsection (a)(1) shall update the plan of the agency under this subsection not less than once every 2 years, as the Secretary shall provide. The Secretary shall approve the updated plans if they comply with the requirements under paragraphs (3) and (4). The Secretary shall notify each public housing agency submitting an updated plan under this paragraph of approval or disapproval of the updated plan as required under paragraph (4)(B), and the provisions of such paragraph shall apply to updated plans under this paragraph."

"(b) OCCUPANCY PREFERENCES.—The matter preceding clause (i) in section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended by striking "specifically designated for elderly families" and inserting "designated for occupancy pursuant to section 7(a)".

**SEC. 623. SECTION 8 ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.**

Section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(4) ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.—For each fiscal year, each public housing agency that administers assistance under this section and that designates any public housing project (or portion of a project) for occupancy under section 7(a)(1) shall apply for, as part of the total amount provided to the agency for the year, the amount of tenant- and project-based assistance necessary (as determined under the allocation plan under section 7(f)) to provide assistance under this section on behalf of nonelderly handicapped and nonelderly disabled families who are to be served by the agency and are not current tenants of the agency, or on behalf of tenants expect to voluntarily transfer out of projects (or portions of projects) designated for occupancy under section 7(a)(1). Any assistance provided under this subsection for handicapped and disabled fami-

lies shall be allocated for such families subject to any preferences under subsection (h)(2)."

**SEC. 624. DEVELOPMENT AND RECONSTRUCTION OF HOUSING FOR HANDICAPPED AND DISABLED FAMILIES.**

(a) SET-ASIDE OF MAJOR RECONSTRUCTION FUNDS FOR RECONFIGURATION OF PROJECTS.—Section 5(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437c(j)(2)), as amended by section 111(a) of this Act, is further amended by adding at the end the following new subparagraph:

"(F)(i) In fiscal year 1993, the Secretary shall commit for use under clause (ii) not less than 5 percent of any amounts reserved under subparagraph (A) for such fiscal year.

"(ii) The amounts referred to in clause (i) shall be available only to public housing agencies that have designated projects (or portions of projects) for occupancy under section 7(a)(1) for use only for the reconfiguration of portions of public housing projects into dwelling units of sizes appropriate for disabled or handicapped single persons who are not elderly persons and groups of such single persons.

"(iii) In allocating amounts reserved under this subparagraph among public housing agencies, the Secretary shall consider the need for any such amounts as identified in the allocation plans submitted by agencies under section 7(f)."

(b) SET-ASIDE OF NEW CONSTRUCTION FUNDS FOR HOUSING DESIGNED FOR DISABLED FAMILIES AND SINGLE PERSONS.—Section 5(f) of the United States Housing Act of 1937 (42 U.S.C. 1437c(f)) is amended by adding at the end the following new paragraph:

"(3)(A) In fiscal year 1993, the Secretary shall reserve for use under subparagraph (B) not less than 5 percent of any amounts approved in appropriation Acts for such fiscal year for public housing grants under subsection (a)(2) that are not designated under such Acts for use under paragraph (2) for the substantial redesign, reconstruction, or redevelopment of existing public housing projects, buildings, or units.

"(B) Any amount reserved under subparagraph (A) shall be available only to public housing agencies that have designated projects (or portions of projects) for occupancy under section 7(a)(1) for use only for the costs of development or acquisition of public housing projects or buildings designed to meet the special needs of handicapped and disabled single persons who are not elderly persons and handicapped and disabled families who are not elderly families.

"(C) The Secretary shall carry out a competition for budget authority reserved under subparagraph (A) among eligible public housing agencies and shall allocate such budget authority to public housing agencies pursuant to the competition, based on (i) the need of the agency for such assistance (taking into consideration the allocation plans submitted under section 7(f) by agencies), and (ii) the ability of agencies to demonstrate that commitments have been made to provide appropriate supportive services to the tenants of the public housing projects and buildings to be developed or assisted pursuant to this paragraph.

"(D) For purposes of this paragraph, the term 'appropriate supportive services' means services designed to meet the special needs of tenants, and may include meal services, health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services."



**SEC. 625. CONFORMING AMENDMENTS.**

(a) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 3(b)(5)(B), by inserting “, disabled, or handicapped” after “elderly”;

(2) in the last sentence of section 6(a), by striking “the elderly” and inserting “elderly, disabled, or handicapped families”;

(3) in section 14(i)(1)(D)(ii), by striking “elderly families and handicapped families” and inserting “elderly, disabled, and handicapped families”; and

(4) in section 17(c)(2)(G)(i), by striking “the elderly” and inserting “elderly families”.

(b) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.—The first sentence of section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438) is amended by striking “the elderly or the handicapped” and inserting “elderly, disabled, or handicapped families”.

**SEC. 626. INAPPLICABILITY TO INDIAN PUBLIC HOUSING.**

The amendments made by this subtitle shall not apply with respect to lower income housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.

**Subtitle C—Standards and Obligations of Residency in Federally Assisted Housing****SEC. 641. COMPLIANCE BY OWNERS AS CONDITION OF FEDERAL ASSISTANCE.**

The Secretary of Housing and Urban Development shall require owners of federally assisted housing (as such term is defined in section 684(2)), as a condition of receiving housing assistance for such housing, to comply with the procedures and requirements established under this subtitle.

**SEC. 642. COMPLIANCE WITH CRITERIA FOR OCCUPANCY AS REQUIREMENT FOR TENANCY.**

In selecting tenants for occupancy of units in federally assisted housing, an owner of such housing shall utilize the criteria for occupancy in federally assisted housing established by the Secretary, by regulation, under section 643. If an owner determines that an applicant for occupancy in the housing does not meet such criteria, the owner may deny such applicant occupancy.

**SEC. 643. ESTABLISHMENT OF CRITERIA FOR OCCUPANCY.****(a) TASK FORCE.—**

(1) ESTABLISHMENT.—To assist the Secretary in establishing reasonable criteria for occupancy in federally assisted housing, the Secretary shall establish a task force to review all rules, policy statements, handbooks, technical assistance memoranda, and other relevant documents issued by the Department of Housing and Urban Development on the standards and obligations governing residency in federally assisted housing and make recommendations to the Secretary for the establishment of such criteria for occupancy.

(2) MEMBERS.—The Secretary shall appoint members to the task force, which shall include individuals representing the interests of owners, managers, and tenants of federally assisted housing, public housing agencies, owner and tenant advocacy organizations, organizations assisting homeless individuals, and social service, mental health, and other nonprofit service providers who serve federally assisted housing.

(3) COMPENSATION.—Members of the task force shall not receive compensation for serving on the task force.

**(4) DUTIES.—The task force shall—**

(A) conduct a study of the existing standards and obligations governing occupancy in federally assisted housing, including any requirement or allowance for assisted applications;

(B) draft proposed criteria for occupancy in federally assisted housing, including (as necessary) a requirement for assisted applications, to ensure that such housing is decent, safe, and sanitary, and the right to peaceful enjoyment of the housing and the health, safety, and welfare of other tenants, is not impaired, and setting forth standards for the reasonable performance and behavior of tenants and procedures for eviction of tenants not complying with such standards; and

(C) report to the Congress on its findings pursuant paragraph (7).

(5) PROCEDURE.—In carrying out its duties, the task force shall hold public hearings and receive written comments for a period of not less than 60 days.

(6) SUPPORT.—The Secretary of Housing and Urban Development shall cooperate fully with the task force and shall provide support staff and office space to assist the task force in carrying out its duties.

(7) REPORTS.—Not later than 3 months after the date of enactment of this Act, the task force shall submit to the Secretary and the Congress a preliminary report describing its initial actions. Not later than 6 months after the date of enactment of this Act, the task force shall submit a report to the Secretary and the Congress, which shall include (A) a description of its findings, (B) a set of proposed criteria for occupancy in federally assisted housing, and (C) a set of proposed criteria for eviction of residents from federally assisted housing.

**(b) RULEMAKING.—**

(1) AUTHORITY.—The Secretary shall, by regulation, establish criteria for occupancy in federally assisted housing and for eviction of tenants from such housing.

(2) STANDARDS.—The criteria shall be sufficient to ensure that such housing is decent, safe, and sanitary, and the right to peaceful enjoyment of the housing and the health, safety, and welfare of other tenants, is not impaired and shall set forth standards for the reasonable performance and behavior of tenants. The criteria shall be consistent with the requirements under subsections (k) and (l) of section 6 and section 8(h) of the United States Housing Act of 1937 and any similar contract and lease requirements for federally assisted housing. In establishing the criteria, the Secretary shall take into consideration the proposed standards contained in the report of the task force under subsection (a)(7).

(3) PROCEDURE.—Not later than 90 days after the submission of the final report under subsection (a)(7), the Secretary shall issue a notice of proposed rulemaking of the regulations under this subsection providing for notice and opportunity for public comment regarding the regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall not be less than 60 days. The Secretary shall issue final regulations under this subsection not later than the expiration of the 60-day period beginning upon the conclusion of the comment period, which shall take effect upon issuance.

**SEC. 644. ASSISTED APPLICATIONS.**

The Secretary shall provide that any individual or family applying for occupancy in federally assisted housing may include in the application for the housing the name, address, phone number, and other relevant information of a family member, friend, or social, health, advocacy, or other organization. The Secretary shall require the owner of any federally assisted housing receiving an application including such information to maintain such information for any applicants who become tenants of the housing, for the purposes of facilitating contact by

the owner with such person or organization to assist in providing any services or special care for the tenant and assist in resolving any relevant tenancy issues arising during the tenancy of such tenant.

**Subtitle D—Authority to Provide Preferences for Elderly Residents and Units for Handicapped and Disabled Residents in Federally Assisted Housing****SEC. 651. AUTHORITY.**

Notwithstanding any other provision of law, an owner of a covered federally assisted housing project (as such term is defined in section 657) designed primarily for occupancy by elderly families may, in selecting tenants for units in the project that become available for occupancy, give preference to elderly families who have applied for occupancy in the housing, subject to the requirements of this subtitle.

**SEC. 652. RESERVATION OF UNITS FOR HANDICAPPED AND DISABLED FAMILIES.**

(a) REQUIREMENT.—Notwithstanding any other provision of law, for any project for which an owner gives preference in occupancy to elderly families pursuant to section 651, such owner shall (subject to sections 653, 654, and 655) reserve units in the project for occupancy only by handicapped or disabled families who are not elderly or near-elderly families (and who have applied for occupancy in the housing) in the number determined under subsection (b).

(b) NUMBER OF UNITS.—Each owner required to reserve units in a project for occupancy under subsection (a) shall reserve a number of units in the project that is not less than the lesser of—

(1) the number of units equivalent to the higher of—

(A) the percentage of units in the project that were occupied by such handicapped and disabled families upon the date of the enactment of this Act; or

(B) the percentage of units in the project that were occupied by such families upon January 1, 1992; or

(2) 10 percent of the number of units in the project.

**SEC. 653. SECONDARY PREFERENCES.**

(a) INSUFFICIENT ELDERLY FAMILIES.—If an owner of a covered federally assisted housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families who have applied for occupancy in the housing to fill all the units in the project not reserved under section 652, the owner may give preference for occupancy of such units to handicapped and disabled families who are near-elderly families and have applied for occupancy in the housing.

(b) INSUFFICIENT NON-ELDERLY HANDICAPPED AND DISABLED FAMILIES.—If an owner of a covered federally assisted housing project in which elderly families are given a preference for occupancy pursuant to section 651 determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of handicapped or disabled families who are not elderly or near-elderly families and have applied for occupancy in the housing to fill all the units in the project reserved under section 652, the owner may give preference for occupancy of units so reserved to handicapped and disabled families who are near-elderly families and have applied for occupancy in the housing.

**SEC. 654. GENERAL AVAILABILITY OF UNITS.**

If an owner of a covered federally assisted housing project in which handicapped and disabled families who are near-elderly families are given a preference for occupancy pursuant to subsection (a) or (b) of section 653 determines (in accordance with regulations established by the

Secretary) that there are an insufficient number of such families to fill all the units in the project for which the preference is applicable, the owner shall make such units generally available for occupancy by families who have applied, and are eligible, for occupancy in the housing, without regard to the preferences established pursuant to this subtitle.

#### SEC. 655. PREFERENCE WITHIN GROUPS.

Among handicapped and disabled families qualifying for occupancy in units reserved under section 652, and among elderly families and near-elderly families qualifying for preference for occupancy pursuant to section 651 or 653, preference for occupancy in units that are assisted under section 8 of the United States Housing Act of 1937 shall be given to handicapped and disabled families according to the preferences for occupancy referred to in subclauses (I) through (III) of section 8(h)(2)(A)(ii) of the United States Housing Act of 1937, to elderly families according to such preferences, and to near-elderly families according to such preferences, respectively.

#### SEC. 656. PROHIBITION OF EVICTIONS.

Any tenant who, except for reservation of a percentage of the units of a project pursuant to section 652 or any preference for occupancy established pursuant to this subtitle, is lawfully residing in a dwelling unit in a covered federally assisted housing project upon the effectiveness of such reservation or preferences, may not be evicted or otherwise required to vacate such unit because of the reservation or preferences or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subtitle.

#### SEC. 657. COVERED FEDERALLY ASSISTED HOUSING.

For purposes of this subtitle, the term "covered federally assisted housing" means housing that is federally assisted housing (as such term is defined in section 684(2), except that such term does not include housing described in subparagraphs (A) and (C) of such section).

#### SEC. 658. RULE OF CONSTRUCTION.

The provisions of this subtitle may not be construed to affect any covered federally assisted housing project the owner for which does not elect to provide a preference for occupancy of elderly families as authorized under section 651.

#### Subtitle E—Service Coordinators for Elderly, Handicapped, and Disabled Residents of Federally Assisted Housing

#### SEC. 661. REQUIREMENT TO PROVIDE SERVICE COORDINATORS.

(a) IN GENERAL.—To the extent that amounts are made available to carry out this subtitle pursuant to the amendments made by this subtitle, the Secretary shall require owners of covered federally assisted housing projects (as such term is defined in subsection (d)) receiving such amounts to provide for employing or otherwise retaining the services of one or more individuals to coordinate the provision of supportive services for elderly, handicapped, and disabled families residing in the projects (in this section referred to as a "service coordinator").

(b) RESPONSIBILITIES.—Each service coordinator of a covered federally assisted housing project provided pursuant to this subtitle or the amendments made by this subtitle—

(1) shall consult with the owner of the housing, tenants, any tenant organizations, any resident management organizations, service providers, and any other appropriate persons, to identify the particular needs and characteristics of elderly, handicapped, and disabled families who reside in the project and any supportive services related to such needs and characteristics;

(2) shall manage and coordinate the provision of such services for residents of the project;

(3) may provide training to tenants of the project in the obligations of tenancy or coordinate such training;

(4) shall meet the minimum qualifications and standards required under section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act; and

(5) may carry out other appropriate activities for residents of the project.

(c) INCLUDED SERVICES.—Supportive services referred to under subsection (b)(1) may include health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, and other appropriate services. The services may be provided through any agency of the Federal Government or any other public or private department, agency, or organization.

(d) COVERED FEDERALLY ASSISTED HOUSING.—For purposes of this subtitle, the term "covered federally assisted housing" means housing that is federally assisted housing (as such term is defined in section 684(2), except that such term does not include housing described in subparagraphs (C) and (D) of such section).

#### SEC. 662. REQUIRED TRAINING OF SERVICE COORDINATORS.

Section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8011(d)(4)) is amended by inserting after the period at the end of the first sentence beginning after subparagraph (E) the following new sentence: "Such qualifications and standards shall include requiring each service coordinator to be trained in the aging process, elder services, eligibility for and procedures of Federal and applicable State entitlement programs, legal liability issues relating to providing service coordination, drug and alcohol use and abuse by the elderly, and mental health issues relating to aging."

#### SEC. 663. COSTS OF PROVIDING SERVICE COORDINATORS IN PUBLIC HOUSING.

Section 9(a)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)(1)(B)) is amended—

(1) in the first sentence, by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) in the second sentence—

(A) by striking "subparagraph" and inserting "clause";

(B) by inserting "or section 802 of the Cranston-Gonzalez National Affordable Housing Act" after "Congregate Housing Services Act of 1978"; and

(C) by inserting a period after "section 811 of the Cranston-Gonzalez National Affordable Housing Act";

(3) by inserting "(i)" after the subparagraph designation; and

(4) by adding at the end the following new clause:

"(ii) Annual contributions under this section to any public housing agency for any project may be used, with respect to such project, for (I) the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any supportive services within the project for residents of the project who are elderly, handicapped, and disabled families, and (II) expenses for the provision of such services for such residents of the project. Not more than 15 percent of the cost of the provision of such services may be provided under this section. Services may not be provided under this clause for any person receiving assistance under the Congregate Housing Services Act of 1978 or sec-

tion 802 of the Cranston-Gonzalez National Affordable Housing Act. The budget authority available under section 5(c) for assistance under this section is authorized to be increased by \$30,000,000 on or after October 1, 1992. Amounts made available under this clause shall be used to provide additional annual contributions to public housing agencies only for the purpose of providing service coordinators and services under this clause for public housing projects."

#### SEC. 664. COSTS OF PROVIDING SERVICE COORDINATORS IN PROJECT-BASED SECTION 8 HOUSING.

Section 8(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(i)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(6) SERVICE COORDINATORS.—

"(A) ELIGIBLE COST.—In determining the amount of assistance provided under an assistance contract for project-based assistance under this subsection or a contract for assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983), the Secretary may consider and annually adjust, with respect to such project, for the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, or disabled families.

"(B) FUNDING.—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by \$5,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for assistance under this section which shall be made available through assistance contracts only for the purpose of providing service coordinators under subparagraph (A) for projects receiving project-based assistance and to provide additional amounts under contracts for assistance for projects constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983) only for such purpose."

#### SEC. 665. COSTS OF PROVIDING SERVICE COORDINATORS FOR RESIDENTS OF TENANT-BASED SECTION 8 HOUSING.

Section 8(n) of the United States Housing Act of 1937 (42 U.S.C. 1437(n)), as amended by section 141 of this Act, is further amended by adding at the end the following new paragraph:

"(4) SERVICE COORDINATORS.—

"(A) ELIGIBLE USE.—Fees under this subsection may be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of supportive services for elderly, handicapped, and disabled families on whose behalf assistance not attached to a structure is provided under this section. Such service coordinators shall have the same responsibilities with respect to such families as service coordinators of covered federally assisted housing projects have under section 661 of such Act with respect to residents of such projects.

"(B) CALCULATION OF FEES.—To the extent amounts are provided in appropriation Acts under subparagraph (C), the Secretary shall increase fees under this subsection to provide for the costs of such service coordinators for public housing agencies.

"(C) FUNDING.—The budget authority available under section 5(c) for assistance under this section is authorized to be increased by



\$15,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for increased fees under this subsection, which shall be used only for the purpose of providing service coordinators for public housing agencies described in subparagraph (A)."

**SEC. 666. GRANTS FOR COSTS OF PROVIDING SERVICE COORDINATORS IN MULTI-FAMILY HOUSING ASSISTED UNDER NATIONAL HOUSING ACT.**

(a) **AUTHORITY.**—The Secretary may make grants under this section to owners of federally assisted housing projects described in subparagraphs (E) and (F) of section 684(2). Any grant amounts shall be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, and disabled families (as such terms are defined in section 684 of this Act).

(b) **APPLICATION AND SELECTION.**—The Secretary shall provide for the form and manner of applications for grants under this section and for selection of applicants to receive such grants.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for grants under this section.

(d) **ELIGIBLE PROJECT EXPENSE.**—For any federally assisted housing project described in subparagraph (E) or (F) of section 684(2) that does not receive a grant under this section, the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 and not more than 15 percent of the cost of providing services to the residents of the project shall be considered an eligible project expense, but only to the extent that amounts are available from project rent and other income for such costs.

**SEC. 667. EXPANDED RESPONSIBILITIES OF SERVICE COORDINATORS IN SECTION 202 HOUSING.**

(a) **SUPPORTIVE HOUSING FOR THE ELDERLY.**—Section 202(g) of the Housing Act of 1959 (12 U.S.C. 1701q(g)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(A) in paragraph (2), by striking the last sentence; and

(B) by adding at the end the following new paragraph:

"(3) **SERVICE COORDINATORS.**—Any cost associated with employing or otherwise retaining a service coordinator in housing assisted under this section shall be considered an eligible cost under subsection (c)(2). If a project is receiving congregate housing services assistance under section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided under subsection (c)(2) for the project service coordinator may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802. To the extent that amounts are available pursuant to subsection (c)(2) for the costs of carrying out this paragraph within a project, an owner of housing assisted under this section shall provide a service coordinator for the housing to coordinate the provision of services under this subsection within the housing."

(b) **OLD SECTION 202 PROJECTS.**—

(1) **AVAILABILITY OF SECTION 8 ASSISTANCE.**—Subject to the availability of appropriations for contract amendments for the purpose of this paragraph, in determining the amount of assistance under section 8 of the United States Housing Act of 1937 to be provided for a project as-

sisted under section 202 of the Housing Act of 1959, as in effect before the effectiveness of the amendments made by section 801 of the Cranston-Gonzalez National Affordable Housing Act, the Secretary shall consider (and annually adjust for) the costs of—

(A) employing or otherwise retaining the services of one or more service coordinators under section 661 of this Act to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, and disabled families; and

(B) expenses for the provision of such services. Not more than 15 percent of the cost of the provision of services under subparagraph (B) may be considered under this paragraph for purposes of determining the amount of assistance provided.

(2) **LIMITATION.**—If a project is receiving congregate housing services assistance under the Congregate Housing Services Act of 1978 or section 802 of the Cranston-Gonzalez National Affordable Housing Act, the amount of costs provided pursuant to paragraph (1) for the project may not exceed the additional amount necessary to cover the costs of providing for the coordination of services for residents of the project who are not eligible residents under such section 802 or eligible project residents under the Congregate Housing Services Act of 1978, as applicable.

**Subtitle F—General Provisions**

**SEC. 681. COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES.**

Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) is amended by adding after paragraph (16), as added by section 219(b) of this Act, the following new paragraph:

"(17) describe the nature and extent of housing needs of elderly, handicapped, and disabled families (as such terms are defined in section 3(b)(3) of the United States Housing Act of 1937) in the jurisdiction, including an estimate of any special housing needs of elderly persons who are more than 75 years of age and of handicapped and disabled families."

**SEC. 682. CLEARINGHOUSES.**

(a) **IN GENERAL.**—The Secretary shall provide to an appropriate entity in each housing market area information regarding the availability of federally assisted housing in the area for elderly, handicapped, and disabled families, and the availability of units in such housing for such families. The Secretary shall enter into agreements with such appropriate entities providing for such entities to make the information available to elderly, handicapped, and disabled families and refer such families to owners of such housing.

(b) **APPROPRIATE ENTITIES.**—For purposes of subsection (a), the term "appropriate entity" means an agency or organization that, in the determination of the Secretary, has the capacity to carry out the responsibilities under such subsection. Such entities may include the applicable Area Agency on the Aging, the housing agency of the applicable unit of general local government, the applicable housing credit agency for purposes of section 42 of the Internal Revenue Code of 1986, any service provider for elderly, handicapped, or disabled residents of federally assisted housing in the area, or any other appropriate person.

(c) **CONFORMING PROVISION.**—Notwithstanding section 801(c) of the Cranston-Gonzalez National Affordable Housing Act, the provisions of section 202(p) of the Housing Act of 1959 (as such section existed on September 30, 1991) shall not be given any effect.

**SEC. 683. CONFORMING AMENDMENTS.**

(a) **PUBLIC HOUSING.**—Section 6(c)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)) is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(F) requiring the public housing agency to ensure and maintain compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle."; and

(b) **PROJECT-BASED SECTION 8 HOUSING.**—Section 8(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(h)), as amended by sections 141 and 664 of this Act, is further amended by adding at the end the following new paragraphs:

"(7) **SERVICE COORDINATORS.**—An assistance contract for project-based assistance under this subsection shall provide that the owner shall ensure and maintain compliance with the subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.

"(8) **PREFERENCES FOR ELDERLY, HANDICAPPED, AND DISABLED RESIDENTS.**—Notwithstanding subsection (h)(2), an owner of a housing for which project-based assistance is provided under this subsection may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992."

(c) **SUPPORTIVE HOUSING FOR THE ELDERLY.**—Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) in subsection (i)(1), by inserting after the first sentence the following new sentence: "Such tenant selection procedures shall comply with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle."; and

(2) in subsection (j), by adding after paragraph (6) (as added by section 601(d) of this Act) the following new paragraph:

"(7) **COMPLIANCE WITH HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.**—Each owner shall operate housing assisted under this section in compliance with subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle."

(d) **SECTION 221(d)(3) PROJECTS.**—Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended—

(1) in the second sentence—

(A) by inserting "disabled," after "elderly,";

(B) by striking "and" after the last comma; and

(C) by inserting before the period at the end the following: "; and that an owner of such a project may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992"; and

(2) by striking the 5th sentence and inserting the following new sentence: "For purposes of this section, the terms 'elderly family', 'handicapped family', and 'disabled family' shall have the meaning given the terms under section 3(b)(3) of the United States Housing Act of 1937."

(e) **SECTION 236 PROJECTS.**—Section 236 of the National Housing Act (12 U.S.C. 1715z-1) is amended—

(1) in subsection (i)(4)—

(A) in the first sentence, by inserting "; disabled," after "elderly"; and

(B) by striking the second sentence and all that follows and inserting the following new sentences: "An owner of any project planned in

whole or in part for occupancy by elderly, disabled, or handicapped families may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992. For purposes of this section, the terms "elderly family", "handicapped family", and "disabled family" shall have the meaning given the terms under section 3(b)(3) of the United States Housing Act of 1937." and

(2) in subsection (j)—  
(A) in paragraph (2)—  
(i) in subparagraph (A), by inserting "and" after the semicolon at the end;  
(ii) by striking subparagraph (B); and  
(iii) by redesignating subparagraph (C) as subparagraph (B); and  
(B) in paragraph (5)—  
(i) in subparagraph (A), by inserting "disabled," after "elderly" each place it appears;  
(ii) in subparagraph (B), by inserting "disabled," after "elderly,"; and  
(iii) in subparagraph (C)—  
(I) by inserting "disabled," after "elderly"; and

(II) by striking "That" and all that follows through "project" and inserting the following: "That an owner of such a project may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992".

#### SEC. 684. DEFINITIONS.

For purposes of this subtitle:

(1) **ELDERLY, HANDICAPPED, DISABLED, AND NEAR-ELDERLY FAMILIES.**—The terms "elderly family", "handicapped family", "disabled family", and "near-elderly family" have the meanings given the terms under section 3(b)(3) of the United States Housing Act of 1937.

(2) **FEDERALLY ASSISTED HOUSING.**—The terms "federally assisted housing" and "project" mean—

(A) a public housing project (as such term is defined in section 3(b) of the United States Housing Act of 1937);

(B) housing for which project-based assistance is provided under section 8 of the United States Housing Act of 1937;

(C) housing that is assisted under section 202 of the Housing Act of 1959 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);

(D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act;

(E) housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(F) housing insured, assisted, or held by the Secretary or a State or State agency under section 236 of the National Housing Act; and

(G) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983, that is assisted under a contract for assistance under such section.

(3) **HOUSING ASSISTANCE.**—The term "housing assistance" means, with respect to federally assisted housing, the grant, contribution, capital advance, loan, mortgage insurance, or other assistance provided for the housing under the provisions of law referred to in paragraph (2). The term also includes any related assistance provided for the housing by the Secretary, including any rental assistance for low-income occupants.

(4) **OWNER.**—The term "owner" means, with respect to federally assisted housing, the entity

or private person, including a cooperative or public housing agency, that has the legal right to lease or sublease dwelling units in such housing.

(5) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development.

#### SEC. 685. APPLICABILITY.

Except as otherwise provided in subtitles B through F of this title and the amendments made by such subtitles, such subtitles and the amendments made by such subtitles shall apply upon the expiration of the 6-month period beginning on the date of the enactment of this Act.

#### SEC. 686. REGULATIONS.

The Secretary shall issue regulations necessary to carry out subtitles B through F of this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

### TITLE VII—RURAL HOUSING

#### SEC. 701. PROGRAM AUTHORIZATIONS.

(a) **INSURANCE AND GUARANTEE AUTHORITY.**—Section 513(a) of the Housing Act of 1949 (42 U.S.C. 1483(a)) is amended to read as follows:

"(a) **INSURANCE AND GUARANTEE AUTHORITY.**—

"(1) **IN GENERAL.**—The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this title during fiscal year 1993, in aggregate amounts not to exceed \$2,305,836,000, as follows:

"(A) For insured or guaranteed loans under section 502 on behalf of low income borrowers receiving assistance under section 521(a)(1), \$1,509,144,000.

"(B) For guaranteed loans under section 502(h), such sums as may be appropriated.

"(C) For loans under section 504, \$12,896,000.

"(D) For insured loans under section 514, \$13,000,000.

"(E) For insured loans under section 515, \$769,080,000.

"(F) For loans under section 523(b)(1)(B), \$832,000.

"(G) For site loans under section 524, \$884,000.

"(2) **AUTHORIZATION OF APPROPRIATIONS FOR CREDIT COSTS.**—There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of loan obligations under this title the following amounts:

"(A) \$283,719,072 for loans under section 502.

"(B) \$5,596,864 for loans under section 504.

"(C) \$7,358,160 for loans under section 514.

"(D) \$398,845,488 for loans under section 515.

"(E) \$106,500 for loans under section 523(b).

"(F) \$19,500 for loans under section 524.

"(3) **LIMITATION.**—Notwithstanding any other provision of law, insured and guaranteed loan authority in this title for any fiscal year beginning after September 30, 1984, shall not be transferred or used for any purpose not specified in this title."

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 513(b) of the Housing Act of 1949 (42 U.S.C. 1483(b)) is amended by striking "(b) There" and all that follows through the end of paragraph (8) and inserting the following:

"(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for fiscal year 1993, and to remain available until expended, the following amounts:

"(1) For grants under section 502(f)(1), \$1,144,000.

"(2) For the demonstration program under section 502(g)(3), such sums as may be necessary.

"(3) For grants under section 504, \$21,944,000.

"(4) For purposes of section 509(c), \$624,000.

"(5) For project preparation grants under section 509(f)(6), \$5,512,000.

"(6) In fiscal year 1993, such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

"(7) For grants under section 515(x), such sums as may be necessary for fiscal year 1993.

"(8) For financial assistance under section 516—

"(A) for low-rent housing and related facilities for domestic farm labor under subsections (a) through (j) of such section, \$22,568,000; and

"(B) for housing for rural homeless and migrant farmworkers under subsection (k) of such section, \$10,920,000.

"(9) For grants under section 523(f), \$14,456,000.

"(10) For grants under section 533, \$32,032,000."

(c) **RENTAL ASSISTANCE PAYMENT CONTRACTS.**—Section 513(c)(1) of the Housing Act of 1949 (42 U.S.C. 1483(c)(1)) is amended to read as follows:

"(c) **RENTAL ASSISTANCE PAYMENT CONTRACTS.**—(1) The Secretary, to the extent approved in appropriation Acts for fiscal year 1993, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating \$430,664,000 for fiscal year 1993."

(d) **SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.**—Section 513(d) of the Housing Act of 1949 (42 U.S.C. 1483(d)) is amended to read as follows:

"(d) **SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.**—The Secretary, to the extent approved in appropriation Acts for fiscal year 1993, may enter into 5-year supplemental rental assistance contracts under section 502(c)(5)(D) aggregating \$5,720,000 for fiscal year 1993."

(e) **DEFERRED MORTGAGE DEMONSTRATION.**—Section 502(g) of the Housing Act of 1949 (42 U.S.C. 1472(g)) is amended by striking paragraph (3).

#### SEC. 702. ELIGIBILITY OF HOMES ON LEASED LAND OWNED BY COMMUNITY LAND TRUSTS FOR SECTION 502 LOANS.

(a) **ELIGIBILITY.**—Section 502(a) of the Housing Act of 1949 (42 U.S.C. 1472(a)) is amended by adding at the end the following new paragraph:

"(3)(A) Notwithstanding any other provision of this title, a loan may be made under this section for the purchase of a dwelling located on land owned by a community land trust, if the borrower and the loan otherwise meet the requirements applicable to loans under this section.

"(B) For purposes of this paragraph, the term 'community land trust' means a community housing development organization (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (except that the requirement under section 104(6)(B) shall not apply for purposes of this paragraph)—

"(i) that is not sponsored by a for-profit organization;

"(ii) that is established to carry out the activities under clause (iii);

"(iii) that—  
"(I) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

"(II) transfers ownership of any structural improvements located on such leased parcels to the lessees; and



"(iii) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity; and

"(iv) whose corporate membership that is open to any adult resident of a particular geographic area specified in the bylaws of the organization."

(b) RECAPTURE.—Section 521(a)(1)(D) of the Housing Act of 1949 (42 U.S.C. 1490a(a)(1)(D)) is amended—

(1) by inserting "(i)" after "(D)"; and

(2) by adding at the end the following new clause:

"(ii) In determining the amount recaptured under this subparagraph with respect to any loan made pursuant to section 502(a)(3) for the purchase of a dwelling located on land owned by a community land trust, the Secretary shall determine any appreciation of the dwelling based on any agreement between the borrower and the community land trust that limits the sale price or appreciation of the dwelling."

#### SEC. 703. MAXIMUM INCOME OF BORROWERS UNDER GUARANTEED LOANS.

Section 502(h)(2) of the Housing Act of 1949 (42 U.S.C. 1472(h)(2)) is amended by inserting "115 percent of" after "exceed".

#### SEC. 704. REMOTE RURAL AREAS.

Section 502(f) of the Housing Act of 1949 (42 U.S.C. 1472(f)) is amended—

(1) in paragraph (1), by inserting "or on tribal allotted or Indian trust land" after "area"; and

(2) in paragraph (2), by inserting "or on tribal allotted or Indian trust land" before the period.

#### SEC. 705. DESIGNATION OF UNDERSERVED AREAS AND RESERVATION OF ASSISTANCE.

(a) REAUTHORIZATION OF DESIGNATION.—Section 509(f) of the Housing Act of 1949 (42 U.S.C. 1479(f)) is amended—

(1) in paragraph (1), by striking "in each of fiscal years 1991 and 1992" and inserting "in each fiscal year";

(2) in paragraph (2), by inserting at the end the following new flush sentence:

"In designating underserved areas under paragraph (1), in each fiscal year the Secretary shall designate not less than 5 counties or communities that contain tribal allotted or Indian trust land."; and

(3) in paragraph (4), by striking "an amount equal to 3.5 percent in fiscal year 1991 and 5.0 percent in fiscal year 1992" and inserting "an amount equal to 5.0 percent in fiscal year 1993".

(b) DEFINITION OF COLONIAS.—Section 509(f)(8) of the Housing Act of 1949 (42 U.S.C. 1479(f)(8)) is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) by striking subparagraph (E) and inserting the following new subparagraph:

"(D) was in existence as a colonia before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act."

#### SEC. 706. RURAL HOUSING VOUCHER DEMONSTRATION.

Section 513(e)(1) of the Housing Act of 1949 (42 U.S.C. 1483(e)(1)) is amended—

(1) in the first sentence, by striking "fiscal years 1988 and 1989" and inserting "fiscal year 1993"; and

(2) in the second sentence, by striking "in not more than 5 States during each such fiscal year".

#### SEC. 707. RENTAL HOUSING LOANS.

(a) EXTENSION OF LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

(b) DEVELOPMENT COSTS.—Section 515(e)(4) of the Housing Act of 1949 (42 U.S.C. 1485(e)(4)) is amended—

(1) by striking "and" before "initial";

(2) by inserting before the first period the following: "impact fees, local charges for installation, provision, or use of infrastructure, and local assessments for public improvements and services imposed by State and local governments"; and

(3) by inserting after the period at the end the following new sentence: "Notwithstanding the first sentence of this paragraph, the term 'development cost' shall not include, with respect to any nonprofit corporation or consumer cooperative financing housing under this section for which units have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986, any initial operating expenses."

(c) COORDINATION OF LOANS AND RENTAL ASSISTANCE PAYMENTS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(1) in subsection (1), by striking paragraph (1) and inserting the following new paragraph:

"(1) in the case of any applicant who applies for rental assistance payments under section 521 in connection with such project, the Secretary shall consider the availability of such rental assistance payments with respect to the project and shall require such applicant to demonstrate that a market exists for persons and families eligible for such rental assistance payments; and"; and

(2) in subsection (p), by inserting at the end the following new paragraph:

"(5) The Secretary shall coordinate the processing of any application for a loan under this section for a project and the processing of any application for assistance under section 521(a)(2) with respect to housing units in the same project in an economical and efficient manner. At the time the Secretary enters into a commitment to make or insure a loan under this section the Secretary shall obligate amounts for assistance payments under section 521(a)(2) for the project, to the extent that such amounts are available and the Secretary determines such assistance is necessary for the market feasibility of the project."

(d) LOW-INCOME HOUSING TAX CREDIT.—Section 515(p)(4) of the Housing Act of 1949 (42 U.S.C. 1485(p)(4)) is amended by striking "except" in the first sentence and all that follows through the end of the paragraph and inserting a period.

(e) USE OF SET-ASIDE FUNDS.—Section 515(w) of the Housing Act of 1949 (42 U.S.C. 1485(w)) is amended—

(1) in paragraph (1)—

(A) by striking "1992" and inserting "1993"; and

(B) by striking the last sentence; and

(2) by adding at the end the following new paragraph:

"(4) USE OF FUNDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), amounts set aside under this subsection shall be available only for nonprofit entities in the State, which may not be wholly or partially owned or controlled by a for-profit entity or under whole or partial control with a for-profit entity.

"(B) EXCEPTION.—Amounts set aside under this subsection may be used for making loans for projects that—

"(i) are sponsored by nonprofit entities in conjunction with a limited partnership of which the nonprofit is the general partner; and

"(ii) have been allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986 that has been reserved for use by nonprofit entities by the housing credit agency."

(f) GRANTS FOR COSTS OF PROVIDING SERVICE COORDINATORS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by adding at the end the following new subsection:

"(x) SERVICE COORDINATORS.—

"(1) GRANTS.—The Secretary may make grants under this subsection, with respect to any project that the Secretary determines has a sufficient number of frail elderly residents, for the cost of employing or otherwise retaining the services of one or more individuals to coordinate services provided to frail elderly residents of the project (in this subsection referred to as a 'service coordinator'), who shall be responsible for—

"(A) assessing the supportive service needs of frail elderly residents of the project, based on objective criteria and interviews with such residents;

"(B) working with service providers to design the provision of services to meet the needs of frail elderly residents of the project, taking into consideration the needs and desires of such residents and their ability and willingness to pay for such services, as expressed by the residents;

"(C) mobilizing public and private resources to obtain funding for such services for such residents;

"(D) monitoring and evaluating the impact and effectiveness of any supportive services provided for such residents;

"(E) consulting and coordinating with any appropriate public and private agencies regarding the provision of supportive services; and

"(F) performing such other duties that the Secretary deems appropriate to enable frail elderly persons residing in federally assisted housing to live with dignity and independence.

"(2) QUALIFICATIONS.—Individuals employed as service coordinators pursuant to this subsection shall meet the minimum qualifications and standards established under section 802(d)(4) of the Cranston-Gonzalez National Affordable Housing Act for service coordinators under a congregate housing services program.

"(3) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection and for the selection of applicants to receive the grants.

"(4) DEFINITION OF FRAIL ELDERLY.—For purposes of this subsection, the term 'frail elderly' has the meaning given the term in section 802(k) of the Cranston-Gonzalez National Affordable Housing Act."

(g) PROHIBITIONS REGARDING CONSIDERATIONS IN MAKING LOANS.—

(1) IN GENERAL.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by adding after subsection (x) (as added by subsection (f) of this section) the following new subsection:

"(y) PROHIBITIONS.—

"(1) REMOTE RURAL AREAS.—The Secretary may not refuse to make a loan that otherwise complies with the requirements under this section solely because the housing and related facilities involved are located in an area that is excessively rural in character or excessively remote.

"(2) ESSENTIAL SERVICES.—In making loans under this section, the Secretary may not provide any preference for any project based on the availability of any particular essential service. For purposes of this paragraph, an essential service shall include post offices (and postal services), grocery stores, pharmacies, schools, and health service facilities (and health services).

"(3) GEOGRAPHIC LOCATION.—In making loans under this section, the Secretary may not grant or deny approval based on the geographic location of the proposed project if the project is located in a rural area, as such term is defined in section 520, except that the Secretary shall give preference to any application for a project that will serve the needs of a rural community located 20 or more miles from an urban area."

(2) REGULATIONS.—The Secretary of Agriculture shall issue any regulations necessary to

carry out the amendment made by paragraph (1) not later than the expiration of the 45-day period beginning on the date of the enactment of this Act. Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary shall submit a copy of any regulations to be issued under this subsection to the Congress. The requirements of section 534(d) of the Housing Act of 1949 shall apply to any such regulations, but such regulations shall not be subject to the requirements of subsections (b) and (c) of section 553 of title 5, United States Code.

#### SEC. 708. CONSIDERATION OF CERTAIN AREAS AS RURAL AREAS.

Section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by adding at the end the following new sentence: "Notwithstanding any other provision of this section, the city of Plainview, Texas, shall be considered a rural area for purposes of this title."

#### SEC. 709. EXTENSION OF AUTHORITY FOR MUTUAL AND SELF-HELP HOUSING GRANTS AND LOANS.

Section 523(f) of the Housing Act of 1949 (42 U.S.C. 1490c(f)) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

#### SEC. 710. HOUSING PRESERVATION GRANTS FOR REPLACEMENT OF HOUSING.

Section 533 of the Housing Act of 1949 (42 U.S.C. 1490m) is amended—

(1) in subsection (a)—  
(A) by inserting "or replace" after "rehabilitate" each place it appears; and  
(B) in the second sentence, by inserting "or replaced" after "rehabilitated";

(2) in subsection (b)—  
(A) in the matter preceding paragraph (1), by striking "Rehabilitation programs" and inserting "Preservation programs";

(B) in paragraph (3), by inserting "or replacement" after "rehabilitation" each place it appears;

(C) in paragraph (4), by striking "repair and rehabilitation" and inserting "repair, rehabilitation, and replacement";

(D) by redesignating paragraphs (2) through (6) (as amended by this paragraph) as paragraphs (3) through (7), respectively; and  
(E) by inserting after paragraph (1) the following new paragraph:

"(2) be used to provide loans or grants, not to exceed \$15,000, to owners of single family housing to replace existing housing if repair or rehabilitation of the housing is determined by the Secretary not to be practicable and the owner of the housing is unable to afford a loan under section 502 for replacement housing";

(3) in the first sentence of subsection (c)(1), by striking "rehabilitation grant funds" and inserting "grant funds under this section"; and

(4) in subsection (d)—  
(A) in paragraph (1), by striking "rehabilitation program" and inserting "preservation program";

(B) in paragraphs (3)(A), (3)(B), (3)(D), by striking "repair and rehabilitation" each place it appears and inserting "repair, rehabilitation, and replacement";

(C) in paragraph (4), by inserting ", or replacement," after "repair and rehabilitation"; and

(D) by adding at the end the following new paragraph:

"(5) A grantee may use housing preservation grant funds under this section for replacement housing only after providing documentation to the Secretary that—

"(A) the existing housing is in such poor condition that rehabilitation is not economically feasible;

"(B) the owner of the housing lacks the income or repayment ability necessary to qualify for a loan under section 502; and

"(C) the grantee will extend assistance to the owner of the housing under terms that the owner can afford."

#### TITLE VIII—COMMUNITY DEVELOPMENT Subtitle A—Community Development Block Grants

#### SEC. 801. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—The second sentence of section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended to read as follows: "For purposes of assistance under section 106, there are authorized to be appropriated \$3,402,880,000 for fiscal year 1993."

(b) LIMITATION ON LOAN GUARANTEES.—The fifth sentence of section 108(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(a)) is amended to read as follows: "Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this section, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of \$312,000,000."

(c) SPECIAL PURPOSE GRANTS.—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended by striking "SEC. 107. (a)" and all that follows through the end of subsection (a) and inserting the following:

"SEC. 107. (a) SET-ASIDE.—  
"(1) IN GENERAL.—For each fiscal year (except as otherwise provided in this paragraph), of the total amount provided in appropriation Acts under section 103 for the fiscal year, the following amounts shall be set aside for grants under subsection (b) for such year for the following purposes:

"(A) \$7,280,000 shall be available for grants under subsection (b)(1);

"(B) \$6,760,000 shall be available for grants under subsection (b)(3);

"(C) \$3,120,000 shall be available for grants under subsection (c);

"(D) such sums as may be necessary shall be available for grants under paragraphs (2), (4), (5), and (6) of subsection (b); and

"(E) such sums as may be necessary shall be available in fiscal year 1993 for a grant to the City of Bridgeport, Connecticut, subject to the approval of sufficient amounts in an appropriation Act and to binding commitments made by the City of Bridgeport and the State of Connecticut that the city and State, respectively, will supplement such amount with \$2,000,000 of additional funds.

"(2) TREATMENT OF GRANTS.—Any grants made under this section shall be in addition to any other grants that may be made under this title to the same entities for the same purposes."

#### SEC. 802. UNITS OF GENERAL LOCAL GOVERNMENT.

(a) DEFINITION.—Section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)) is amended by striking "recognized by the Secretary" and inserting the following: "that, except as provided in section 106(d)(4), is recognized by the Secretary".

(b) GRANTS TO NONENTITLEMENT AREAS.—Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) Any combination of units of general local governments may not be required to obtain recognition by the Secretary pursuant to section 102(a)(1) to be treated as a single unit of general local government for purposes of this subsection."

#### SEC. 803. URBAN COUNTIES.

Section 102(a)(6)(D) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(6)(D)) is amended—

(1) in clause (iii), by striking "or" at the end;

(2) in clause (iv), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(v) (I) has a population of 175,000 or more (including the population of metropolitan cities therein), (II) before January 1, 1975, was designated by the Secretary of Defense pursuant to section 608 of the Military Construction Authorization Act, 1975 (Public Law 93-552; 88 Stat. 1763), as a Trident Defense Impact Area, and (III) has located therein not less than 1 unit of general local government that was classified as a metropolitan city and (a) for which county each such unit of general local government therein has relinquished its classification as a metropolitan city under the 6th sentence of paragraph (4), or (b) that has entered into cooperative agreements with each metropolitan city therein to undertake or to assist in the undertaking of essential community development and housing assistance activities."

#### SEC. 804. RETENTION OF PROGRAM INCOME.

The first sentence of section 104(j) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(j)) is amended—

(1) by striking "while the unit of general local government is participating in a community development program under this title"; and

(2) by inserting before the period at the end the following: "; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government".

#### SEC. 805. STATE COMMUNITY DEVELOPMENT PLANS AND REPORTS.

(a) IN GENERAL.—Subsection (l) of section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(l)), as added by section 922 of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) by striking "(l)" and inserting "(m)";

(2) in paragraph (1), by striking "needs and strategies for meeting those needs" and inserting "and infrastructure needs, strategies for meeting such needs, and the priority for addressing such needs";

(3) in paragraph (4), by striking "this subsection" and inserting "paragraph (1)";

(4) by redesignating paragraph (4) (as so amended) as paragraph (6); and

(5) by inserting after paragraph (3) the following new paragraphs:

"(4) STATE COORDINATION OF LOCAL NEEDS.—Each State that receives a grant under section 831(d) of the Housing and Community Development Act of 1992 shall annually submit to the Secretary a report containing a summary of—  
"(A) the community development and infrastructure needs within the State; and  
"(B) the strategies to be used by the State to meet such needs in an efficient and coordinated manner.

"(5) REPORTS BY SECRETARY.—The Secretary shall annually submit to the Committees on Banking, Finance and Urban Affairs of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate, a report containing a summary of the information submitted for the year by States pursuant to paragraph (4), which shall describe—

"(A) the community development and infrastructure needs within the United States;

"(B) the strategies to be used by the States to meet such needs in an efficient and coordinated manner; and

"(C) a strategy for the Federal Government to assist States (under this title and otherwise) in



meeting such needs in an efficient and coordinated manner."

(b) **CONFORMING AMENDMENTS.**—Section 104(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(4)) is amended—

(1) by inserting "pursuant to subsection (m)" before the first comma;

(2) by striking "and housing"; and

(3) by striking "that have been" and all that follows through "title".

#### SEC. 806. ELIGIBLE ACTIVITIES.

(a) **ADDITIONAL ELIGIBLE ACTIVITIES.**—Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (8), by inserting before the semicolon at the end the following: "; and except that of any amount of assistance under this title (including program income) in each of fiscal years 1993 through 1997 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph";

(2) in paragraph (19), by striking "and" at the end;

(3) by redesignating paragraph (20) as paragraph (22); and

(4) by inserting after paragraph (19) the following new paragraphs:

"(20) provision of assistance by recipients under this title to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

"(21) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by—

"(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, expansion of microenterprises;

"(B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in small business activities) to owners of microenterprises and persons developing microenterprises; and

"(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises; and".

(b) **DIRECT HOMEOWNERSHIP ASSISTANCE.**—Section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5305 note) is amended—

(1) by striking "October 1, 1992" and inserting "October 1, 1993"; and

(2) by striking "(or" and all that follows through "Act)".

(c) **MICROENTERPRISES.**—

(1) **DEFINITION OF MICROENTERPRISE.**—Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)) is amended by adding at the end the following new paragraph:

"(22) The term 'microenterprise' means a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise."

(2) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that each grantee under the community development block grant program under title I of the Housing and Community Development Act of 1974 should reserve 1 percent of any grant amounts the grantee receives in each fiscal year for the purpose of providing assistance under section 105(a)(21) of such Act to facilitate economic development through commercial microenterprises.

(d) **CONFORMING AMENDMENTS.**—Section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5305 note) is amended—

(1) in subparagraph (A), by striking "(18)" and inserting "(20)";

(2) in subparagraph (B), by striking "(19)" and inserting "(21)"; and

(3) in subparagraph (C), by striking "(20)" and inserting "(22)".

#### SEC. 807. SPECIAL PURPOSE GRANTS.

(a) **TECHNICAL ASSISTANCE GRANTS.**—Section 107(b)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)(4)) is amended by inserting before the first semicolon the following: "(which may include the provision of technical assistance by States to units of general local government assisted by the States under section 106(d))".

(b) **OTHER PURPOSES.**—Section 107(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5307(b)) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraph:

"(5) to States and units of general local government and institutions of higher education having a demonstrated capacity to carry out eligible activities under this title; except that the Secretary may make a grant under this paragraph only to a State or unit of general local government that jointly, with an institution of higher education, has prepared and submitted to the Secretary an application for such grant, as the Secretary shall by regulation require; and

"(6) in each of fiscal years 1993 through 1998, to units of general local government in non-entitlement areas for planning community adjustments and economic diversification activities, which may include any eligible activities under section 105, required—

"(A) by the proposed or actual establishment, realignment, or closure of a military installation,

"(B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, or

"(C) by a publicly-announced planned major reduction in Department of Defense spending that would directly and adversely affect a unit of general local government and will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a 5-year period in the unit of general local government and the surrounding area, or

if the Secretary (in consultation with the Secretary of Defense) determines that an action described in subparagraph (A), (B), or (C) is likely to have a direct and significant adverse consequence on the unit of general local government."

(c) **REGULATIONS.**—Not later than the expiration of the 60-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue proposed regulations to carry out section 107(b)(6) of the Housing and Community Development Act of 1974, as added by subsection (b)(3) of this section. The Secretary shall issue final regulations to carry out such section 107(b)(6) not later than the expiration of the 120-day period beginning on the date of the enactment of this Act and after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). Such final regulations shall take effect 30 days after issuance.

#### SEC. 808. TECHNICAL AMENDMENTS.

Section 104(b)(2) and section 106(d)(5)(B) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(b)(2), 5306(d)(5)(B)) are each amended by striking "Public Law 88-352 and Public Law 90-284" and inserting "the Civil Rights Act of 1964 and the Civil Rights Act of 1968".

#### SEC. 809. ASSISTANCE FOR COLONIAS.

(a) **ELIGIBLE ACTIVITIES.**—Section 916(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended to read as follows:

"(b) **ELIGIBLE ACTIVITIES.**—Assistance distributed pursuant to this section may be used only for the acquisition, construction, reconstruction, rehabilitation, or installation of public water projects and public sewage projects, including any activities necessary to furnish water and sewage services to persons of low- or moderate-income."

(b) **DEFINITION OF COLONIA.**—Section 916(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note) is amended—

(1) by striking subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (C); and

(3) by striking subparagraph (E) and inserting the following new subparagraph:

"(D) was in existence as a colonia before the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act."

#### Subtitle B—Other Community Development Programs

#### SEC. 831. COMPUTERIZED DATABASE OF COMMUNITY DEVELOPMENT NEEDS.

(a) **ESTABLISHMENT OF PROGRAM.**—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, establish and implement a program to assist States and units of general local government to develop methods, utilizing contemporary computer technology, to—

(1) monitor, inventory, and maintain current listings of the community development and infrastructure needs of the States and units of general local government;

(2) coordinate strategies within States (especially among various units of general local government) for meeting such needs; and

(3) coordinate strategies among States for meeting such needs.

(b) **INTEGRATED DATABASE SYSTEM AND COMPUTER MAPPING TOOL.**—

(1) **DEVELOPMENT AND PURPOSES.**—In carrying out the program under this section, the Secretary shall provide for the development of an integrated database system and computer mapping tool designed to efficiently (A) collect, store, process, and retrieve information relating to community development and infrastructure needs within States, and (B) coordinate strategies for meeting such needs. The integrated database system and computer mapping tool shall be designed in a manner to coordinate and facilitate the preparation of community development plans under section 104(m)(1) of the Housing and Community Development Act of 1974 and to process any information necessary for such plans.

(2) **AVAILABILITY TO STATES.**—The Secretary shall make the integrated database system and computer mapping tool developed pursuant to this subsection available to States without charge.

(c) **TECHNICAL ASSISTANCE.**—Under the program under this section, the Secretary shall provide consultation and advice to States and units of general local government regarding the capabilities and advantages of the integrated database system and computer mapping tool developed pursuant to subsection (b) and assist-

ance in installing and using the database system and mapping tool.

(d) GRANTS.—

(1) AUTHORITY AND PURPOSE.—The Secretary shall, to the extent amounts are made available under appropriation Acts pursuant to subsection (e), make grants to States for capital costs relating to installation and use of the integrated database system and computer mapping tool developed pursuant to subsection (b).

(2) LIMITATIONS.—The Secretary may not make more than one grant under this subsection to any single State. The Secretary may not make a grant under this subsection to any single State in an amount exceeding \$1,000,000.

(3) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection. The Secretary shall establish criteria for the selection of States to receive grants under this section and shall select recipients according to such criteria, which shall give priority to States having, on a long-term basis (as determined by the Secretary), levels of unemployment above the national average level.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1993—

(1) such sums as may be necessary for the Secretary to carry out the program established under this section; and

(2) such sums as may be necessary for grants to States under subsection (d).

**SEC. 832. NEIGHBORHOOD REINVESTMENT CORPORATION.**

(a) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 608(a)(1) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)) is amended by to read as follows: "There is authorized to be appropriated to the corporation to carry out this title \$37,960,000 for fiscal year 1993."

(b) EXPANDED PROGRAMS.—The matter preceding subparagraph (A) of section 608(a)(2) of the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8107(a)(2)) is amended by striking "each of the fiscal years 1991 and 1992" and inserting "any fiscal year".

**SEC. 833. NEIGHBORHOOD DEVELOPMENT DEMONSTRATION.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 123(g) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended to read as follows:

"(g) There is authorized to be appropriated to carry out this section \$2,080,000 for fiscal year 1993."

(b) PERMANENT PROGRAM.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) by striking the section heading and inserting the following new heading:

**"JOHN HEINZ NEIGHBORHOOD DEVELOPMENT PROGRAM";**

(2) by striking "demonstration program" each place it appears and inserting "program";

(3) in subsection (b)(1), by striking "determine the feasibility of supporting" and inserting "support";

(4) in subsection (e)(6)—

(A) in subparagraph (C), by inserting "and" after the semicolon at the end;

(B) by striking subparagraph (D);

(C) by redesignating subparagraph (E) as subparagraph (D); and

(D) in subparagraph (D), as so redesignated, by striking "demonstration" and inserting "program";

(5) by striking subsection (f) and inserting the following new subsection:

"(f) The Secretary shall submit a report to the Congress, not later than 3 months after the end of each fiscal year in which payments are made under this section, regarding the program under

this section. The report shall contain a summary of the activities carried out under this section during such fiscal year and any findings, conclusions, and recommendations for legislation regarding the program."; and

(6) by adding at the end the following new subsection:

"(h) SHORT TITLE.—This section may be cited as the 'John Heinz Neighborhood Development Act'."

(c) COMPLIANCE WITH CHAS AND COMMUNITY DEVELOPMENT PLANS.—Section 123(e)(5)(A) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended by striking "housing and community development plans of such unit" and inserting "comprehensive housing affordability strategy of such unit approved under section 105 of the Cranston-Gonzalez National Affordable Housing Act or the statement of community development activities and community development plans of the unit submitted under section 104(m) of the Housing and Community Development Act of 1974".

(d) ELIGIBLE NEIGHBORHOOD DEVELOPMENT ORGANIZATION.—Section 123(a)(2) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subparagraph (A), by inserting "(i)" after "(A)";

(2) in subparagraph (E), by striking the period at the end and inserting "; or";

(3) by redesignating subparagraphs (B) through (E) as clauses (ii) through (v), respectively; and

(4) by adding at the end the following new subparagraph:

"(B) any facility that provides small entrepreneurial business with affordable shared support services and business development services and meets the requirements of subparagraph (A)."

(e) DEFINITIONS.—Section 123(a) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) by striking subparagraph (2)(A)(iv) (as so redesignated by subsection (d) of this section) and inserting the following new clause:

"(iv) an organization that operates within an area that—

"(I) meets the requirements for Federal assistance under section 119 of the Housing and Community Development Act of 1974;

"(II) is designated as an enterprise zone under Federal law;

"(III) is designated as an enterprise zone under State law and recognized by the Secretary for purposes of this section as a State enterprise zone; or

"(IV) is a qualified distressed community within the meaning of section 233(b)(1) of the Bank Enterprise Act of 1991; and";

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting before paragraph (4) (as so redesignated) the following new paragraph:

"(3) The term 'neighborhood development funding organization' means—

"(A) a depository institution the accounts of which are insured pursuant to the Federal Deposit Insurance Act or the Federal Credit Union Act, and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act) thereof;

"(B) a depository institution holding company and any subsidiary thereof (as such term is defined in section 3(w) of the Federal Deposit Insurance Act); or

"(C) a company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.";

(f) COORDINATION WITH COMMUNITY DEVELOPMENT FUNDING ORGANIZATIONS.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subsection (b)(1), by inserting ", and from neighborhood development funding organizations," after "neighborhoods";

(2) in subsection (b)(3)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period and inserting the following: "; especially in cooperation with a neighborhood development funding organization, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible neighborhood development organization—

"(i) is located in an area described in subsection (a)(2)(A)(iv) that does not contain a neighborhood development funding organization; or

"(ii) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the cooperation of any neighborhood development funding organization in such area despite having made a good faith effort to obtain such cooperation; and"; and

(C) by adding at the end the following new subparagraph:

"(D) specify a strategy for increasing the capacity of the organization.";

(3) in subsection (c)(3), by inserting before the semicolon the following: "and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization—

"(A) is located in an area described in subsection (a)(2)(A)(iv) that does not contain a branch or office of a neighborhood development funding organization; or

"(B) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the participation of any neighborhood development funding organization that has a branch or office in the neighborhood despite having made a good faith effort to obtain such participation"; and

(4) in subsection (e)(1), by inserting ", and from neighborhood development funding organizations," after "neighborhoods".

(g) ADMINISTRATIVE CHANGES.—Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) is amended—

(1) in subsection (a)(2)(A)(iii), as so redesignated by subsection (d) of this section, by striking "three years" and inserting "one year";

(2) in subsection (b)(2), by striking "Not more than 30 per centum" and inserting "For fiscal year 1993 and thereafter, not more than 50 per centum"; and

(3) in subsection (c)(4), by striking "available" and all that follows through "meritorious".

(h) EFFECTIVE DATE.—The amendments made by subsections (e) and (f) shall take effect upon the effective date of the Bank Enterprise Act of 1991.

**SEC. 834. STUDY REGARDING HOUSING TECHNOLOGY RESEARCH.**

(a) STUDY.—The Secretary of Housing and Urban Development, through the Assistant Secretary for Policy Development and Research, shall conduct a study of—

(1) the extent of Federal, other public, and private basic research in the United States in housing technology, including design and construction techniques and methodology, smart building technology, area and neighborhood planning, and other areas relating to the preservation and production of affordable housing and livable communities;



(2) the extent of competitiveness of the United States in the field of basic housing technology research in comparison with other countries that are substantially involved in trade with the United States, taking into consideration the balance of trade, the degree of government support of private research activities, and the degree of fragmentation of research; and

(3) the types of research projects regarding basic housing technology conducted by such other countries, the results of such research, and the extent of success in applying and marketing such results.

(b) **REPORT.**—The Secretary of Housing and Urban Development shall submit a report to the Congress describing the results of the study conducted under this section not later than March 30, 1993.

#### SEC. 835. DESIGNATION OF ENTERPRISE ZONES.

(a) **IN GENERAL.**—Section 701 of the Housing and Community Development Act of 1987 (42 U.S.C. 11501) is amended—

(1) in subsection (a)(4)(B), by striking “the effective date of the regulations described in subparagraph (A) occurs” and inserting “the date of the enactment of the Housing and Community Development Act of 1992 occurs”; and

(2) in subsection (c)(3)(B), by striking “this Act” and inserting “the Housing and Community Development Act of 1992”.

(b) **REPORT.**—Section 702 of the Housing and Community Development Act of 1987 (42 U.S.C. 11502) is amended by inserting “pursuant to the amendments made by section 835 of the Housing and Community Development Act of 1992” before the first comma.

### TITLE IX—REGULATORY AND MISCELLANEOUS PROGRAMS

#### SEC. 901. HUD RESEARCH AND DEVELOPMENT.

Section 501 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1) is amended by striking the second sentence and all that follows and inserting the following new sentence: “There is authorized to be appropriated to carry out this title \$22,984,000 for fiscal year 1993.”

#### SEC. 902. ADMINISTRATION OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) **SPECIAL ASSISTANT FOR INDIAN AND ALASKA NATIVE PROGRAMS.**—

(1) **RESPONSIBILITIES.**—Section 4(e)(1) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(e)(1)) is amended—

(A) by inserting “(A)” after “(1)”; and

(B) in the first sentence, by striking “, who” and all that follows through “development”; and

(C) by adding at the end the following new subparagraphs:

“(B) The Special Assistant for Indian and Alaska Native Programs shall be responsible for—

“(i) administering, in coordination with the relevant office in the Department, the provision of housing assistance to Indian tribes or Indian housing authorities under each program of the Department that provides for such assistance; and

“(ii) administering the community development block grant program for Indian tribes under title I of the Housing and Community Development Act of 1974 and the provision of assistance to Indian tribes under such Act; and

“(iii) directing, coordinating, and assisting in managing any regional offices of the Department that administer Indian programs to the extent of such programs; and

“(iv) coordinating all programs of the Department relating to Indian and Alaska Native housing and community development.

(C) To the extent practicable, in employing any staff for the office of the Special Assistant for Indian and Alaska Native Programs and to conduct activities of regional offices relating to

Indian programs, the Secretary shall give preference to individuals who are Indians.

(D) The Secretary shall include in the annual report under section 8 a description of the extent of the housing needs for Indian families and community development needs of Indian tribes in the United States and the activities of the Department, and extent of such activities, in meeting such needs.”

(2) **TRANSFER OF FUNCTIONS.**—Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer to the Special Assistant for Indian and Alaska Native Programs any functions and duties described in section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as amended by paragraph (1) of this subsection).

(3) **STAFF.**—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer from offices within the Department of Housing and Urban Development to the office of the Special Assistant for Indian and Alaska Native Programs such staff, having experience and capacity to administer Indian housing and community development programs, as may be necessary and appropriate to assist the Special Assistant in carrying out the responsibilities under section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as amended by paragraph (1) of this subsection).

(b) **AVOIDANCE OF FORECLOSURE ON MORTGAGES HELD BY SECRETARY.**—Section 7(i) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(i)) is amended—

(1) in paragraph (5), by inserting before the semicolon the following: “; except that with respect to any mortgage held by the Secretary, the Secretary shall, subject to the availability of amounts provided in appropriation Acts, implement the authority under this paragraph to reduce the interest rate on the mortgage to a rate not less than the rate for recently issued marketable obligations of the Treasury having a comparable maturity if (and to the extent that) such a reduction, when taken together with other actions authorized under the National Housing Act, is necessary to avoid foreclosure on the mortgage; and except that for any mortgage for which the interest rate is reduced pursuant to an appropriation under the preceding clause, if the Secretary determines that the income or ability of the mortgagor to make interest payments has increased, the Secretary may (not more than once for each such mortgage) increase such interest rate to a rate not exceeding the prevailing market rate, as determined by the Secretary”; and

(2) in paragraph (6), by inserting before the period the following: “, including any provisions relating to the authority or requirements under paragraph (5)”.

(c) **NEGOTIATED RULEMAKING PROCEDURE.**—Section 7(o) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(o)) is amended—

(1) by redesignating paragraph (7) as paragraph (5); and

(2) by adding at the end the following new paragraph:

“(6) In developing and issuing any rule or regulation of the Department, the Secretary shall consider using (under section 583 of title 5, United States Code; as added by section 3(a) of the Negotiated Rulemaking Act of 1990) the negotiated rulemaking procedures under subchapter IV of such title (as added by such section 3(a)) and shall use such procedures unless the Secretary determines that use of such procedures is not in the public interest.”

(d) **PROGRAM MONITORING AND EVALUATION.**—The first sentence of section 7(r)(6) of the De-

partment of Housing and Urban Development Act (42 U.S.C. 3535(r)(6)) is amended to read as follows: “There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993.”

#### SEC. 903. PARTICIPANT'S CONSENT TO RELEASE OF INFORMATION.

(a) **IN GENERAL.**—Section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 3544) is amended by adding at the end the following new subsection:

“(e) **CONDITIONS OF RELEASE OF INFORMATION BY THIRD PARTIES.**—An applicant or participant under any program of the Department of Housing and Urban Development may not be required or requested to consent to the release of information by third parties as a condition of initial or continuing eligibility for participation in the program unless—

“(1) the request for consent is made, and the information secured is maintained, in accordance with this section, section 552a of title 5, United States Code; and

“(2) the consent that is requested is appropriately limited, with respect to time and information relevant and necessary to meet the requirements of this section.”

(b) **FORMS.**—

(1) **NEW FORM.**—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall develop a release form that meets the requirements of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, as amended by this section. In developing the form, the Secretary shall consult with interested parties, which shall include not less than 2 representatives of public housing agencies, 1 representative of a national tenant organization, 1 representative of a State tenant organization, and 1 representative of a legal group representing tenants.

(2) **EFFECT OF OLD FORM.**—During the period beginning upon the date of the enactment of this Act and ending upon implementation of the use of the form developed under paragraph (1), the benefits provided to an applicant or participant under any program of the Department of Housing and Urban Development, or eligibility for such benefits, may not be terminated, denied, suspended, or reduced because of any failure to sign any form authorizing the release of information from any third party (including Form HUD-9886), if the applicant or participant otherwise discloses all financial information relating to the application or recertification.

#### SEC. 904. NATIONAL INSTITUTE OF BUILDING SCIENCES.

(a) **TECHNICAL CORRECTION TO HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974.**—Section 809 of the Housing and Community Development Act of 1974 (12 U.S.C. 1701j-2) is amended—

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(2) by inserting after subsection (g) the material inserted by the amendment made by section 952(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4418).

(b) **TECHNICAL CORRECTION TO NATIONAL HOUSING ACT.**—Section 809 of the National Housing Act is amended by striking subsection (h) (as added by section 952(b) of the Cranston-Gonzalez National Affordable Housing Act).

#### SEC. 905. FAIR HOUSING INITIATIVES PROGRAM.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—The first sentence of section 561(d) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616 note) is amended to read as follows: “There is authorized to be appropriated to carry out the provisions of this section, including any program evaluations, \$6,552,000 for fiscal year

1993, of which such sums as may be necessary shall be for education and outreach activities."

(b) **EXTENSION OF PROGRAM.**—Section 561(e) of the Housing and Community Development Act of 1987 (42 U.S.C. 3616 note) is amended by striking "September 30, 1992" and inserting "September 30, 1993".

**SEC. 906. NATIONAL COMMISSION ON MANUFACTURED HOUSING.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 943(f) of the Cranston-Gonzalez National Affordable Housing Act is amended to read as follows:

"(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 1993. Any amounts appropriated pursuant to this section shall remain available until expended."

(b) **EXTENSION OF TERMINATION DATE.**—Section 943(g) of the Cranston-Gonzalez National Affordable Housing Act is amended by striking "upon the expiration of the 9 months following the appointment of all the members under subsection (c)" and inserting "on October 1, 1993".

(c) **STAFF.**—Section 943(e) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 44134) is amended by adding at the end the following new paragraph:

"(7) **STAFF.**—

"(A) **EXECUTIVE DIRECTOR.**—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which may not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

"(B) **PERSONNEL.**—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as the Commission deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(C) **LIMITATION.**—This paragraph shall be effective only to the extent amounts for the executive director or personnel are made available in appropriation Acts."

**SEC. 907. REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974.**

(a) **APPLICABILITY TO MORTGAGE ORIGINATION.**—Section 3(3) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(3)) is amended by inserting after "broker," the following: "the origination of a federally related mortgage loan (including, but not limited to, the taking of loan applications, loan processing, and the underwriting and funding of loans)."

(b) **APPLICABILITY TO SECOND MORTGAGES AND REFINANCINGS.**—Section 3(1)(A) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602(1)(A)) is amended—

(1) by inserting "or subordinate" after "first"; and

(2) by inserting before the semicolon the following: "including any loan secured by a subordinate lien, the proceeds of which are used to make payments under, or prepay, a prior loan secured by a senior lien on the same property".

(c) **REGULATIONS.**—The Secretary of Housing and Urban Development shall issue regulations to implement the amendments made by this section not later than the expiration of the 180-day period beginning on the date of the enactment of this Act. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

**SEC. 908. DISCLOSURES UNDER THE HOME MORTGAGE DISCLOSURE ACT OF 1975.**

(a) **IN GENERAL.**—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by adding at the end the following new subsections:

"(j) **LOAN APPLICATION REGISTER INFORMATION.**—

"(1) **IN GENERAL.**—In addition to the information required to be disclosed under subsections (a) and (b), any depository institution which is required to make disclosures under this section shall make available to the public, upon request, loan application register information (as defined by the Board by regulation) in the form required under regulations prescribed by the Board.

"(2) **FORMAT OF DISCLOSURE.**—

"(A) **UNEDITED FORMAT.**—Subject to subparagraph (B), the loan application register information described in paragraph (1) may be disclosed by a depository institution without editing or compilation and in the format in which such information is maintained by the institution.

"(B) **PROTECTION OF APPLICANT'S PRIVACY INTEREST.**—The Board shall require, by regulation, such deletions as the Board may determine to be appropriate to protect—

"(i) any privacy interest of any applicant, including the deletion of the applicant's name and identification number, the date of the application, and the date of any determination by the institution with respect to such application; and

"(ii) a depository institution from liability under any Federal or State privacy law.

"(C) **CENSUS TRACT FORMAT ENCOURAGED.**—It is the sense of the Congress that a depository institution should provide loan register information under this section in a format based on the census tract in which the property is located.

"(3) **CHANGE OF FORM NOT REQUIRED.**—A depository institution meets the disclosure requirement of paragraph (1) if the institution provides the information required under such paragraph in the form in which the institution maintains such information.

"(4) **REASONABLE CHARGE FOR INFORMATION.**—Any depository institution which provides information under this subsection may impose a reasonable fee for any cost incurred in reproducing such information.

"(5) **TIME OF DISCLOSURE.**—The disclosure of the loan application register information described in paragraph (1) for any year pursuant to a request under paragraph (1) shall be made—

"(A) in the case of a request made on or before March 1 of the succeeding year, before April 1 of the succeeding year; and

"(B) in the case of a request made after March 1 of the succeeding year, before the end of the 30-day period beginning on the date the request is made.

"(6) **RETENTION OF INFORMATION.**—Notwithstanding subsection (c), the loan application register information described in paragraph (1) for any year shall be maintained and made available, upon request, for 3 years after the close of the 1st year during which such information is required to be maintained and made available.

"(7) **MINIMIZING COMPLIANCE COSTS.**—In prescribing regulations under this subsection, the Board shall make every effort to minimize the costs incurred by a depository institution in complying with this subsection and such regulations.

"(k) **DISCLOSURE OF STATEMENTS BY DEPOSITORY INSTITUTIONS.**—

"(1) **IN GENERAL.**—In accordance with procedures established by the Board pursuant to this section, any depository institution required to make disclosures under this section—

"(A) shall make a disclosure statement available, upon request, to the public no later than 3 business days after the institution receives the

statement from the Federal Financial Institutions Examination Council; and

"(B) may make such statement available on a floppy disc which may be used with a personal computer or in any other media which is not prohibited under regulations prescribed by the Board.

"(2) **NOTICE THAT DATA IS SUBJECT TO CORRECTION AFTER FINAL REVIEW.**—Any disclosure statement provided pursuant to paragraph (1) shall be accompanied by a clear and conspicuous notice that the statement is subject to final review and revision, if necessary.

"(3) **REASONABLE CHARGE FOR INFORMATION.**—Any depository institution which provides a disclosure statement pursuant to paragraph (1) may impose a reasonable fee for any cost incurred in providing or reproducing such statement.

"(l) **PROMPT DISCLOSURES.**—

"(1) **IN GENERAL.**—Any disclosure of information pursuant to this section or section 310 shall be made as promptly as possible.

"(2) **MAXIMUM DISCLOSURE PERIOD.**—

"(A) **6- AND 9-MONTH MAXIMUM PERIODS.**—Except as provided in subsections (j)(5) and (k)(1) and regulations prescribed by the Board and subject to subparagraph (B), any information required to be disclosed for any year beginning after December 31, 1992, under—

"(i) this section shall be made available to the public before September 1 of the succeeding year; and

"(ii) section 310 shall be made available to the public before December 1 of the succeeding year.

"(B) **SHORTER PERIODS ENCOURAGED AFTER 1994.**—With respect to disclosures of information under this section or section 310 for any year beginning after December 31, 1993, every effort shall be made—

"(i) to make information disclosed under this section available to the public before July 1 of the succeeding year; and

"(ii) to make information required to be disclosed under section 310 available to the public before September 1 of the succeeding year.

"(3) **IMPROVED PROCEDURE.**—The Federal Financial Institutions Examination Council shall make such changes in the system established pursuant to subsection (f) as may be necessary to carry out the requirements of this subsection."

(b) **TECHNICAL AND CONFORMING AMENDMENT.**—Section 304(c) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(c)) is amended by inserting "other than loan application register information under subsection (j)," after "under this section".

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply with respect to information disclosed under section 304 of the Home Mortgage Disclosure Act of 1975 for any year which ends after the date of the enactment of this Act.

**SEC. 909. COMMUNITY REINVESTMENT ACT OF 1977.**

Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended—

(1) by inserting before the first sentence the following: "(a) **IN GENERAL.**—"; and

(2) by adding at the end the following new subsection:

"(b) **MAJORITY-OWNED INSTITUTIONS.**—In assessing and taking into account, under subsection (a), the record of a nonminority-owned and nonwomen-owned financial institution, the appropriate Federal financial supervisory agency shall consider and give credit for capital investment, loan participation, and other ventures undertaken by the institution in cooperation with minority- and women-owned financial institutions and low-income credit unions that help meet the credit needs of local communities in which such institutions and credit unions are chartered."



**SEC. 910. TEMPORARY INAPPLICABILITY OF CERTIFICATION OF LIMITATION OF ASSISTANCE FOR MULTIFAMILY PROJECTS.**

Section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall not apply with respect to any assistance within the jurisdiction of the Department of Housing and Urban Development (as such term is defined in section 102(m) of such Act) for housing—

- (1) that consists of 5 or more dwelling units;
- (2) that is—
  - (A) insured or to be insured under title II of the National Housing Act;
  - (B) assisted or to be assisted under title II of the Cranston-Gonzalez National Affordable Housing Act;
  - (C) assisted or to be assisted under—
    - (i) section 441 of the Stewart B. McKinney Homeless Assistance Act, as in effect before the date of the effectiveness of the amendment made by section 821(a) of the Cranston-Gonzalez National Affordable Housing Act; or
    - (ii) subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act, as in effect after the date of the effectiveness of such amendment; or
  - (D) assisted or to be assisted under section 8 of the United States Housing Act of 1937; and
- (3) for which an application for assistance within the jurisdiction of the Department is submitted to the Secretary before September 30, 1994.

**SEC. 911. REESTABLISHMENT OF SOLAR BANK.**

- (a) **REESTABLISHMENT.**—
  - (1) **AUTHORITY OF SECRETARY TO PROVIDE FOR REESTABLISHMENT.**—Notwithstanding the termination of the Solar Energy and Energy Conservation Bank under section 505(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)), the Secretary of Housing and Urban Development shall take such actions as may be necessary to reestablish the Solar Energy and Energy Conservation Bank under such Act. The Bank shall have the powers, carry out the functions, and operate as provided under such Act and sections 315 and 316 of the Federal National Mortgage Association Charter Act (21 U.S.C. 1723g-1723h).
  - (2) **BOARD OF DIRECTORS, OFFICERS, AND ADVISORY COMMITTEES.**—The positions of the Board of Directors of the Solar Energy and Energy Conservation Bank, officers and personnel of the Bank, the Energy Conservation Advisory Committee, and the Solar Energy Advisory Committee shall be established and filled in the manner provided under the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3601 et seq.).
  - (3) **REGULATIONS.**—The Secretary of Housing and Urban Development shall issue any regulations necessary to carry out this section.
  - (b) **CONTINUATION OF BANK.**—Section 505(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3603(a)) is amended by striking the last sentence.
  - (c) **TECHNICAL AMENDMENTS.**—The Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3601 et seq.) is amended—
    - (1) in section 505(b), by striking "this subtitle" and inserting "the Housing and Community Development Act of 1992";
    - (2) in section 509(b)(1), by striking "this subtitle" the second place it appears and inserting "the Housing and Community Development Act of 1992";
    - (3) in section 515(a)(3), by striking "the National Bureau of Standards" and inserting "the National Institute of Standards and Technology";
    - (4) in section 519(b), by striking "this subtitle" and inserting "the Housing and Community Development Act of 1992";
    - (5) in section 520(a), by striking "this subtitle" the first place it appears and inserting

"the Housing and Community Development Act of 1992"; and

(6) in section 520(b), by striking "90 days after the effective date of this subsection" and inserting "180 days after the date of the enactment of the Housing and Community Development Act of 1992".

(d) **AUTHORIZATION OF APPROPRIATIONS.**—Section 522(a) of the Solar Energy and Energy Conservation Bank Act (12 U.S.C. 3620(a)) is amended to read as follows:

"SEC. 522. (a) There are authorized to be appropriated to provide financial assistance under this subtitle for the purchase and installation of residential and commercial energy conservation improvements and solar energy systems such sums as may be necessary for fiscal year 1993."

**SEC. 912. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO LABOR WAGE RATES UNDER HOUSING PROGRAMS.**

(a) **SUPPORTIVE HOUSING FOR THE ELDERLY.**—Section 202(j)(5) of the Housing Act of 1959 (12 U.S.C. 1701q(j)(5)), as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act, is amended to read as follows:

"(5) **LABOR.**—

"(A) **IN GENERAL.**—The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing with 12 or more units assisted under this section shall be paid wages at rates not less than the rates prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (commonly known as the Davis-Bacon Act).

"(B) **EXEMPTION.**—Subparagraph (A) shall not apply to any individual who—

"(i) performs services for which the individual volunteered;

"(ii) (I) does not receive compensation for such services; or

"(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

"(iii) is not otherwise employed at any time in the construction work."

(b) **SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES.**—Section 811(j)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(j)(6)) is amended—

(1) by striking "(6) **LABOR STANDARDS.**—The Secretary" and inserting the following:

"(6) **LABOR STANDARDS.**—

"(A) **IN GENERAL.**—The Secretary";

(2) by striking "assisted under this section and designed for dwelling use by 12 or more persons with disabilities" and inserting "with 12 or more units assisted under this section";

(3) by inserting "commonly known as" before "the Davis-Bacon Act";

(4) by striking "; but the Secretary" and all that follows through "undertaking the construction"; and

(5) by adding at the end the following new subparagraph:

"(B) **EXEMPTION.**—Subparagraph (A) shall not apply to any individual who—

"(i) performs services for which the individual volunteered;

"(ii) (I) does not receive compensation for such services; or

"(II) is paid expenses, reasonable benefits, or a nominal fee for such services; and

"(iii) is not otherwise employed at any time in the construction work."

**SEC. 913. ENERGY EFFICIENT MORTGAGES.**

(a) **DEFINITION OF ENERGY EFFICIENT MORTGAGE.**—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), as amended by section 210(a)(1) of this Act, is further amended by adding at the end the following new paragraph:

"(25) The term 'energy efficient mortgage' means a mortgage that provides financial incentives for the purchase of energy efficient homes, or that provides financial incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage."

(b) **UNIFORM MORTGAGE FINANCING PLAN FOR ENERGY EFFICIENCY.**—Section 946 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12712 note) is amended—

(1) in subsection (a), by striking "mortgage financing incentives for energy efficiency" and inserting "energy efficient mortgages (as such term is defined in section 104 of this Act)"; and

(2) in subsection (b)—

(A) in the second sentence, by inserting "but not be limited to," after "include"; and

(B) by inserting after the period at the end the following new sentence: "The Task Force shall determine whether notifying potential home purchasers of the availability of energy efficient mortgages would promote energy efficiency in residential buildings, and if so, the Task Force shall recommend appropriate notification guidelines, and agencies and organizations referred to in the preceding sentence are authorized to implement such guidelines."

**SEC. 914. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY LOW-INCOME PERSONS.**

(a) **HOUSING AND URBAN DEVELOPMENT ACT OF 1968.**—Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended to read as follows:

**"SEC. 3. ECONOMIC OPPORTUNITIES FOR LOW- AND VERY-LOW INCOME PERSONS.**

"(a) **FINDINGS.**—The Congress finds that—

"(1) Federal housing and community development programs provide State and local governments and other recipients of Federal financial assistance with substantial funds for projects and activities that produce significant employment and other economic opportunities;

"(2) low- and very low-income persons, especially recipients of government assistance for housing, often have restricted access to employment and other economic opportunities;

"(3) the employment and other economic opportunities generated by projects and activities that receive Federal housing and community development assistance offer an effective means of empowering low- and very low-income persons, particularly persons who are recipients of government assistance for housing; and

"(4) past Federal efforts to direct employment and other economic opportunities generated by Federal housing and community development programs to low- and very low-income persons have not been fully effective and should be intensified.

"(b) **POLICY.**—It is the policy of the Congress and the purpose of this section to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing.

"(c) **EMPLOYMENT.**—

"(1) **PUBLIC AND INDIAN HOUSING PROGRAM.**—

"(A) **IN GENERAL.**—The Secretary of Housing and Urban Development shall require that public housing agencies and Indian housing authorities, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons the training and employment opportunities generated by development assistance provided pursuant to section 5 of the United States Housing Act of 1937, operating assistance provided pursuant to section 9 of such Act, and modernization grants provided pursuant to section 14 of such Act.

“(B) PRIORITY.—The efforts required under subparagraph (A) shall be directed in the following order of priority:

“(i) To residents of the housing developments for which the assistance is expended.

“(ii) To residents of other developments managed by the public housing agency or Indian housing authority that is expending the assistance.

“(iii) To other low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

“(2) OTHER PROGRAMS.—

“(A) IN GENERAL.—In other programs that provide housing and community development assistance, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction projects are given to low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the project is located.

“(B) PRIORITY.—Where feasible, priority should be given to low- and very low-income persons residing within the service area of the project or the neighborhood in which the project is located.

“(d) CONTRACTING.—

“(1) PUBLIC AND INDIAN HOUSING PROGRAM.—

“(A) IN GENERAL.—The Secretary shall require that public housing agencies and Indian housing authorities, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to award contracts for work to be performed in connection with development assistance provided pursuant to section 5 of the United States Housing Act of 1937, operating assistance provided pursuant to section 9 of such Act, and modernization grants provided pursuant to section 14 of such Act, to business concerns that provide economic opportunities for low- and very low-income persons.

“(B) PRIORITY.—The efforts required under subparagraph (A) shall be directed in the following order of priority:

“(i) To business concerns that provide economic opportunities for residents of the housing development for which the assistance is provided.

“(ii) To business concerns that provide economic opportunities for residents of other housing developments operated by the public housing agency and Indian housing authority that is providing the assistance.

“(iii) To business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is provided.

“(2) OTHER PROGRAMS.—

“(A) IN GENERAL.—In providing housing and community development assistance pursuant to other programs, the Secretary shall ensure that, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, contracts awarded for work to be performed in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area (or nonmetropolitan county) in which the assistance is expended.

“(B) PRIORITY.—Where feasible, priority should be given to business concerns which provide economic opportunities for low- and very

low-income persons residing within the service areas of the project or the neighborhoods in which the project is located.

“(e) DEFINITIONS.—For the purposes of this section:

“(1) LOW- AND VERY LOW-INCOME PERSONS.—The terms ‘low-income persons’ and ‘very low-income persons’ have the same meanings given the terms ‘low-income families’ and ‘very low-income families’, respectively, in section 3(b) of the United States Housing Act of 1937.

“(2) BUSINESS CONCERN THAT PROVIDES ECONOMIC OPPORTUNITIES.—The term ‘a business concern that provides economic opportunities’ means a business concern that—

“(A) provides economic opportunities for a class of persons that has a majority controlling interest in the business;

“(B) employs a substantial number of such persons; or

“(C) meets such other criteria as the Secretary may establish.

“(f) COORDINATION WITH OTHER FEDERAL AGENCIES.—The Secretary shall consult with the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Commerce, the Administrator of the Small Business Administration, and such other Federal agencies as the Secretary determines are necessary to carry out this section.

“(g) REGULATIONS.—Not later than 180 days after the date of enactment of this section, the Secretary shall issue regulations to implement this section.”

(b) STUDY OF THE EFFECTIVENESS OF SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, a report describing—

(A) the Secretary’s efforts to enforce section 3 of the Housing and Urban Development Act of 1968, as amended by subsection (a) of this section;

(B) the barriers to full implementation of section 3 of the Housing and Urban Development Act of 1968;

(C) the anticipated costs and benefits of full implementation of section 3 of the Housing and Urban Development Act of 1968; and

(D) recommendations for legislative changes to enhance the effectiveness of section 3 of the Housing and Urban Development Act of 1968.

(2) CONTENTS.—

(A) ENFORCEMENT.—The description under paragraph (1)(A) of the Secretary’s enforcement efforts shall include, at a minimum—

(i) a discussion of how responsibility for implementing section 3 of the Housing and Urban Development Act of 1968 is allocated within the Department of Housing and Urban Development;

(ii) a discussion of the status of existing regulations implementing such section 3;

(iii) a discussion of ongoing efforts to enforce current regulations;

(iv) a list of the programs under the responsibility of the Secretary with respect to which the Secretary is enforcing section 3; and

(v) a separate description of the activities carried out under section 3 with respect to each of these programs.

(B) IMPEDIMENTS.—The discussion under paragraph (1)(B) of the external impediments to effective enforcement of section 3 of the Housing and Urban Development Act of 1968 shall include, at a minimum, a discussion of—

(i) any lack of necessary training for targeted employees and technical assistance to targeted businesses;

(ii) any barriers created by Federal, State, or local procurement regulations or other laws;

(iii) any difficulties in coordination with labor unions;

(iv) any difficulties in coordination with other implicated Federal agencies; and

(v) any lack of resources on the part of recipients of assistance who are responsible for carrying out section 3 of the Housing and Urban Development Act of 1968.

(3) CONSULTATION.—In preparing the report under this subsection, the Secretary shall consult with the Secretary of Labor, the Secretary of Commerce, the Secretary of Health and Human Services, the Administrator of the Small Business Administration, other appropriate Federal officials, and recipients of Federal housing and community development assistance who are responsible for executing section 3 of the Housing and Urban Development Act of 1968.

SEC. 915. NATIONAL AMERICAN INDIAN HOUSING COUNCIL.

There is authorized to be appropriated for assistance for the National American Indian Housing Council such sums as may be necessary for fiscal year 1993, for providing training and technical assistance to Indian housing authorities.

SEC. 916. STUDY REGARDING FORECLOSURE ALTERNATIVES.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall conduct a study to review and analyze alternatives to foreclosure for homeowners whose principal residences are subject to federally-related mortgages (in connection with federally related mortgage loans, as such term is defined in section 3 of the Real Estate Settlement Procedures Act of 1974) under which the homeowner is in default. In conducting the study, the Secretary—

(1) may consult with any appropriate Federal agencies that make, insure, or guarantee mortgage loans relating to 1- to 4-family dwellings and with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, and the Federal Agricultural Mortgage Corporation; and

(2) shall review and assess the adequacy, with respect to providing alternatives to foreclosure, of—

(A) the temporary mortgage assistance payments program authorized under section 230 of the National Housing Act;

(B) the authority of the Secretary to modify interest rates and other terms of mortgages transferred to the Secretary under section 7(i) of the Department of Housing and Urban Development Act; and

(C) any authority pursuant to Debt Collection Act of 1982 to reduce interest rates on outstanding debt to the borrowing rate for the Treasury of the United States.

The Secretary shall evaluate alternatives to foreclosure based on fairness of the procedures to the homeowner and reducing adverse effects on the mortgage lending system.

(b) REPORT.—Not later than March 1, 1993, the Secretary shall submit a report to the Congress regarding the results of the study conducted under subsection (a). The report shall contain a detailed description and assessment of each alternative to foreclosure analyzed under the study and a statement by the Secretary regarding the intent of the Secretary to use any authority available under the provisions referred to in subsection (a)(2) to avoid foreclosure under mortgages (and any reasons for not using such authority). The report may also contain any recommendations of the Secretary for administrative or legislative action to assist homeowners to avoid foreclosure and any loss of equity in their mortgaged homes that may result from foreclosure.



# **TITLE X—HOUSING PROGRAMS UNDER STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT**

## **SEC. 1001. SHORT TITLE.**

This title may be cited as the "Stewart B. McKinney Homeless Housing Assistance Amendments Act of 1992".

## **SEC. 1002. EMERGENCY SHELTER GRANTS PROGRAM.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 417 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11377) is amended to read as follows:

### **"SEC. 417. AUTHORIZATION OF APPROPRIATIONS.**

"There is authorized to be appropriated to carry out this subtitle \$143,520,000 for fiscal year 1993."

(b) **EMPLOYMENT OF HOMELESS INDIVIDUALS.**—Section 415(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375(c)) is amended—

(1) in paragraph (4) (as follows paragraph (3)), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon;

(3) in the paragraph that follows paragraph (5) (as added by section 832(h)(3) of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625; 104 Stat. 4362))—

(A) by redesignating the paragraph as paragraph (6); and

(B) by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(7) it will utilize, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this subtitle, in providing services assisted under this subtitle, and in providing services for occupants of facilities assisted under this subtitle."

(c) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding at the end the following new subsection:

"(d) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—The Secretary shall, by regulation, require each recipient that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such recipient, to the extent that such entity considers and makes policies and decisions regarding any facility, services, or other assistance of the recipient assisted under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions."

(d) **TERMINATION OF ASSISTANCE.**—Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding after subsection (d) (as added by subsection (c) of this section) the following new subsection:

"(e) **TERMINATION OF ASSISTANCE.**—If an individual or family who receives assistance under this subtitle from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law."

## **SEC. 1003. SUPPORTIVE HOUSING PROGRAM.**

(a) **IN GENERAL.**—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by striking subtitles C and D and inserting the following new subtitle:

### **"Subtitle C—Supportive Housing Program**

#### **"SEC. 421. PURPOSE.**

"The purpose of the program under this subtitle is to promote the development of innovative

approaches for the provision of supportive housing and supportive services to assist homeless persons, especially homeless families and homeless persons with disabilities, in the transition from homelessness and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.

#### **"SEC. 422. DEFINITIONS.**

"For purposes of this subtitle:

"(1) The term 'applicant' means a State, Indian tribe, metropolitan city, urban county, governmental entity, private nonprofit organization, or community mental health association that is a public nonprofit organization, that is eligible to receive assistance under this subtitle and submits an application under section 426(a).

"(2) The term 'disability' means a physical disability (including the disease of acquired immunodeficiency syndrome and any conditions arising from the etiologic agent for such disease) or mental disability (including a substance abuse disorder), that impedes an individual's ability to live independently.

"(3) The term 'Indian tribe' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

"(4) The term 'metropolitan city' has the meaning given the term in section 102 of the Housing and Community Development Act of 1974.

"(5) The term 'operating costs' means expenses incurred by a recipient operating supportive housing under this subtitle with respect to—

"(A) the administration, maintenance, repair, and security of such housing;

"(B) utilities, fuel, furnishings, and equipment for such housing; and

"(C) the conducting of the assessment under section 426(c)(2).

"(6) The term 'outpatient health services' mean outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management.

"(7) The term 'private nonprofit organization' means an organization—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) that has a voluntary board;

"(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

"(D) that practices nondiscrimination in the provision of assistance.

"(8) The term 'project' means a structure or structures (or a portion of such structure or structures) that is acquired, rehabilitated, constructed, or leased with assistance provided under this subtitle or with respect to which the Secretary provides technical assistance or annual payments for operating costs under this subtitle, or supportive services.

"(9) The term 'recipient' means any governmental or nonprofit entity that receives assistance under this subtitle.

"(10) The term 'Secretary' means the Secretary of Housing and Urban Development.

"(11) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

"(12) The term 'supportive housing' means a project that meets the requirements of section 424.

"(13) The term 'supportive services' means services under section 425.

"(14) The term 'urban county' has the meaning given the term in section 102 of the Housing and Community Development Act of 1974.

#### **"SEC. 423. ELIGIBLE ACTIVITIES.**

"(a) **IN GENERAL.**—The Secretary may provide any project with one or more of the following types of assistance under this subtitle:

"(1) **ACQUISITION AND REHABILITATION.**—A grant for acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure (including a small commercial property or office space) to provide supportive housing other than emergency shelter or to provide supportive services. The repayment of any outstanding debt owed on a loan made to purchase an existing structure shall be considered to be a cost of acquisition eligible for a grant under this paragraph if the structure was not used as supportive housing, or to provide supportive services, before the receipt of assistance.

"(2) **NEW CONSTRUCTION.**—A grant or advance for new construction of a structure to provide supportive housing or supportive services.

"(3) **LEASING.**—A grant for leasing of an existing structure or structures, or portions thereof, to provide supportive housing or supportive services during the period covered by the application. Grant recipients may reapply for such assistance as needed to continue the use of such structure to provide supportive housing or supportive services.

"(4) **OPERATING COSTS.**—Annual payments for operating costs of supportive housing (without regard to whether the housing is an existing structure). Grant recipients may reapply for such assistance as needed to continue the use of the project to provide supportive housing or supportive services.

"(5) **SUPPORTIVE SERVICES.**—A grant for costs of supportive services provided to homeless individuals. Such services may be provided independently from supportive housing and may be provided to homeless persons that do not reside in the supportive housing. Any recipient may reapply for such assistance or for the renewal of such assistance to continue services funded under prior grants or to provide other services.

"(6) **TECHNICAL ASSISTANCE.**—Technical assistance in—

"(A) establishing supportive housing;

"(B) operating supportive housing; and

"(C) providing supportive services to homeless individuals.

"(b) **USE RESTRICTIONS.**—

"(1) **ACQUISITION, REHABILITATION, AND NEW CONSTRUCTION.**—Projects assisted under subsection (a)(1) or (2) shall be operated for not less than 20 years for the purpose specified in the application. The recipient of any such assistance shall repay the assistance to the Secretary on such terms as may be prescribed by the Secretary in accordance with subsection (c) if the project is used as supportive housing for less than the 20-year period beginning on the date that the project is placed in service.

"(2) **OTHER ASSISTANCE.**—Projects assisted under subsection (a)(3), (4), (5), or (6) (but not under subsection (a)(1) or (2)) shall be operated for the purposes specified in the application for the duration of the period covered by the grant.

"(3) **CONVERSION.**—If the Secretary determines that a project is no longer needed for use of supportive housing and approves the use of the project for the direct benefit of low-income persons pursuant to a request for such use by the recipient operating the project, the Secretary may authorize the recipient to convert the project to such use.

"(c) **REPAYMENT OF ASSISTANCE AND PREVENTION OF UNDUE BENEFITS.**—

"(1) **REPAYMENT.**—The Secretary shall require recipients to repay 100 percent of any assistance received under subsection (a)(1) or (2) if the project is used as supportive housing for fewer than 10 years after the project is placed in service. If such project is used as supportive housing for more than 10 years, the Secretary shall reduce the percentage of the amount required to be repaid by 10 percentage points for each year in excess of 10 that the project is used as supportive housing.

"(2) **PREVENTION OF UNDUE BENEFITS.**—Except as provided in paragraph (3), upon any sale or other disposition of a project assisted under subsection (a)(1) or (2) occurring before the expiration of the 20-year period beginning on the date that the project is placed in service, the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from such sale or disposition.

"(3) **EXCEPTION.**—A recipient shall not be required to comply with the terms and conditions prescribed under paragraphs (1) and (2) if the sale or disposition of the project results in the use of the project for the direct benefit of very low-income persons or if all of the proceeds are used to provide supportive housing meeting the requirements of this subtitle.

#### **SEC. 424. SUPPORTIVE HOUSING.**

"(a) **IN GENERAL.**—Housing providing supportive services for homeless individuals shall be considered supportive housing for purposes of this subtitle if—

"(1) the housing is safe and sanitary and meets any applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located; and

"(2) the housing—

"(A) is transitional housing;

"(B) is permanent housing for homeless persons with disabilities; or

"(C) is, or is part, of a particularly innovative project for, or alternative methods of, meeting the immediate and long-term needs of homeless individuals and families.

"(b) **TRANSITIONAL HOUSING.**—For purposes of this section, the term 'transitional housing' means housing, the purpose of which is to facilitate and move homeless individuals and families to independent living within 24 months (or such longer period as the Secretary determines is necessary to facilitate the transition of homeless individuals to independent living). Any project that has as its purpose facilitating the movement of homeless individuals to independent living within 24 months (or such other period determined pursuant to this subparagraph) may not be denied assistance solely because the facility permits homeless individuals to reside in the facility for more than 24 months (or such other period determined pursuant to this subparagraph).

"(c) **PERMANENT HOUSING FOR HOMELESS PERSONS WITH DISABILITIES.**—For purposes of this section, the term 'permanent housing for homeless persons with disabilities' means community-based housing for handicapped homeless persons that provides long-term housing and supportive services for not more than—

"(1) 8 such persons in a single structure or contiguous structures;

"(2) 16 such persons, but only if not more than 20 percent of the units in a structure are designated for such persons; or

"(3) more than 16 persons if the applicant demonstrates that local market conditions dictate the development of a large project and such development will achieve the neighborhood integration objectives of the program within the context of the affected community.

"(d) **SINGLE ROOM OCCUPANCY DWELLINGS.**—A project may provide supportive housing or supportive services in dwelling units that do not contain bathrooms or kitchen facilities and are appropriate for use as supportive housing or in projects containing some or all such dwelling units.

#### **SEC. 425. SUPPORTIVE SERVICES.**

"(a) **IN GENERAL.**—To the extent practicable, each project shall provide supportive services for residents of the project and homeless persons using the project, which may be designed by the recipient or participants.

"(b) **REQUIREMENTS.**—Supportive services provided in connection with a project shall, in the

determination of the Secretary address the special needs of homeless persons (such as homeless persons with disabilities and homeless families with children) intended to be served by a project.

"(c) **SERVICES.**—Supportive services may include such activities as (A) establishing and operating a child care services program for homeless families, (B) establishing and operating an employment assistance program, (C) providing outpatient health services, food, and case management, (D) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling, (E) providing security arrangements necessary for the protection of residents of supportive housing and for homeless persons using the housing or project, (F) providing assistance in obtaining other Federal, State, and local assistance available for such residents (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment), and (G) providing other appropriate services.

"(d) **PROVISION OF SERVICES.**—All or part of the supportive services provided in connection with a project may be provided directly by the recipient or by arrangements with other public or private service providers.

"(e) **COORDINATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES.**—

"(1) **APPROVAL.**—Promptly upon receipt of any application for assistance under this subtitle that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If the Secretary of Health and Human Services determines that the proposal for delivery of the outpatient health services does not meet guidelines for determining the appropriateness of such proposed services, the Secretary of Housing and Urban Development may require resubmission of the application. The Secretary of Housing and Urban Development may not approve such portion of the application unless and until such portion has been resubmitted in a form that the Secretary of Health and Human Services determines meets such guidelines.

"(2) **GUIDELINES.**—The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining the appropriateness of proposed outpatient health services under this section. Such guidelines shall include any provisions necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this subtitle for the final selection of applications for assistance.

#### **SEC. 426. PROGRAM REQUIREMENTS.**

"(a) **APPLICATIONS.**—

"(1) **FORM AND PROCEDURE.**—Applications for assistance under this subtitle shall be submitted by applicants in the form and in accordance with the procedures established by the Secretary. The Secretary may not give preference or priority to any application on the basis that the application was submitted by any particular type of applicant entity.

"(2) **CONTENTS.**—The Secretary shall require that applications contain at a minimum—

"(A) a description of the proposed project, including the activities to be undertaken;

"(B) a description of the size and characteristics of the population that would occupy the supportive housing assisted under this subtitle;

"(C) a description of the public and private resources that are expected to be made available for the project;

"(D) in the case of projects assisted under section 423(a) (1) or (2), assurances satisfactory to the Secretary that the project will be operated for not less than 20 years for the purpose specified in the application;

"(E) in the case of projects assisted under this title that do not receive assistance under such sections, annual assurances during the period specified in the application that the project will be operated for the purpose specified in the application for such period;

"(F) a certification from the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the project is located that the proposed project is consistent with the approved housing strategy of such State or unit of general local government; and

"(G) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing.

"(3) **SITE CONTROL.**—The Secretary shall require that each application include reasonable assurances that the applicant will own or have control of a site for the proposed project not later than the expiration of the 6-month period beginning upon notification of an award for grant assistance, unless the application proposes providing supportive housing assisted under section 423(a)(3) or housing which will eventually be owned or controlled by the families and individuals served. An applicant may obtain ownership for control of a suitable site different from the site specified in the application. If any recipient fails to obtain ownership or control of the site within 1 year after notification of an award for grant assistance, the grant shall be recaptured and reallocated under this subtitle.

"(b) **SELECTION CRITERIA.**—The Secretary shall select applicants approved by the Secretary as to financial responsibility to receive assistance under this subtitle by a national competition based on criteria established by the Secretary, which shall include—

"(1) the ability of the applicant to develop and operate a project;

"(2) the innovative quality of the proposal in providing a project;

"(3) the need for the type of project proposed by the applicant in the area to be served;

"(4) the extent to which the amount of assistance to be provided under this subtitle will be supplemented with resources from other public and private sources;

"(5) the cost-effectiveness of the proposed project;

"(6) the extent to which the applicant has demonstrated coordination with other entities serving homeless persons in the planning and operation of the project, to the extent practicable; and

"(7) such other factors as the Secretary determines to be appropriate to carry out this subtitle in an effective and efficient manner.

"(c) **REQUIRED AGREEMENTS.**—The Secretary may not provide assistance for any project under this subtitle unless the applicant agrees—

"(1) to operate the proposed project in accordance with the provisions of this subtitle;

"(2) to conduct an ongoing assessment of the supportive services required by homeless individuals served by the project and the availability of such services to such individuals;

"(3) to provide such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents and users of the project;

"(4) to monitor and report to the Secretary on the progress of the project;

"(5) to develop and implement procedures to ensure (A) the confidentiality of records pertaining to any individual provided family violence prevention or treatment services through



any project assisted under this subtitle, and (B) that the address or location of any family violence shelter project assisted under this subtitle will not be made public, except with written authorization of the person or persons responsible for the operation of such project; and

"(6) to utilize, to the maximum extent practicable, homeless individuals and families in constructing, rehabilitating, maintaining, and operating the project assisted under this subtitle and in providing supportive services for the project.

"(d) OCCUPANCY CHARGE.—Each homeless individual or family residing in a project providing supportive housing shall pay an occupancy charge in an amount determined by the recipient providing the project, which may not exceed the amount determined under section 3(a) of the United States Housing Act of 1937. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

"(e) MATCHING FUNDING.—Each recipient shall be required to supplement any assistance provided under this subtitle with an amount, from sources other than this subtitle, equal to not less than 10 percent of the funds received under this subtitle.

"(f) FLOOD PROTECTION STANDARDS.—Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted under this subtitle shall be no more restrictive than the standards applicable under Executive Order No. 11988 (May 24, 1977) to the other programs under this title.

"(g) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each recipient to provide for the participation of a significant number of homeless individuals or former homeless individuals on the board of directors or other equivalent policymaking entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided under this subtitle. The Secretary may grant waivers to applicants unable to meet the requirement under the preceding sentence if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

"(h) LIMITATION ON USE OF FUNDS.—No assistance received under this subtitle (or any State or local government funds used to supplement such assistance) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons or handicapped homeless persons.

"(i) LIMITATION ON ADMINISTRATIVE EXPENSES.—No recipient may use more than 5 percent of a grant received under this subtitle for administrative purposes.

"(j) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this subtitle (not including residents of an emergency shelter) from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law.

#### "SEC. 427. REGULATIONS.

"Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall issue interim regulations to carry out this subtitle, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration

of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

#### "SEC. 428. REPORTS TO CONGRESS.

"The Secretary shall submit a report to the Congress annually, which summarizes the activities carried out under this subtitle and sets forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. The report shall be submitted not later than 4 months after the end of each fiscal year (except that, in the case of fiscal year 1993, the report shall be submitted not later than 6 months after the end of the fiscal year).

#### "SEC. 429. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subtitle \$187,200,000 for fiscal year 1993.

"(b) SET-ASIDES.—Of any amounts appropriated to carry out this subtitle—

"(1) not less than 25 percent shall be allocated to projects designed primarily to serve homeless families with children;

"(2) not less than 25 percent shall be allocated to projects designed primarily to serve homeless persons with disabilities; and

"(3) not less than 10 percent shall be allocated for use only for providing supportive services under sections 423(a)(5) and 425, not provided in conjunction with supportive housing.

"(c) REALLOCATIONS.—If, following the receipt of applications for the final funding round under this subtitle for any fiscal year, any amount set aside for assistance pursuant to subsection (b) will not be required to fund the approvable applications submitted for such assistance, the Secretary shall reallocate such amount for other assistance pursuant to this subtitle."

(b) TRANSITION.—Notwithstanding the amendment made by subsection (a), before the date of the effectiveness of the regulations issued under section 427 of the Stewart B. McKinney Homeless Assistance Act (as amended by subsection (a) of this section) the Secretary may make grants under the provisions of subtitles C and D of the Stewart B. McKinney Homeless Assistance Act, as in effect immediately before the enactment of this Act. Any grants made before such effective date shall be subject to the provisions of such subtitles.

#### SEC. 1004. SAFE HAVENS FOR HOMELESS INDIVIDUALS DEMONSTRATION PROGRAM.

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by inserting after subtitle C (as added by section 1003(a) of this Act) the following new subtitle:

##### "Subtitle D—Safe Havens for Homeless Individuals Demonstration Program

#### "SEC. 431. ESTABLISHMENT OF DEMONSTRATION.

"(a) IN GENERAL.—The Secretary may provide assistance to applicants in accordance with this subtitle to demonstrate the desirability and feasibility of providing low-cost housing, to be known as safe havens, for eligible persons who are at the time unable to participate in mental health treatment programs or to receive other supportive services.

"(b) PURPOSES.—The demonstration program carried out under this subtitle shall demonstrate—

"(1) whether eligible persons choose to reside in safe havens;

"(2) the extent to which, after a period of residence in a safe haven, residents are willing to participate in mental health or other appropriate treatment programs and to move toward a more traditional form of permanent housing and whether such permanent housing and treatment programs are available in the community;

"(3) whether safe havens are cost-effective in comparison with other alternatives for eligible persons; and

"(4) the various ways in which safe havens can be arranged to provide accommodations and supportive services for eligible persons.

#### "SEC. 432. DEFINITIONS.

"For purposes of this subtitle:

"(1) APPLICANT.—The term 'applicant' means a nonprofit corporation, public nonprofit organization, State, or unit of general local government.

"(2) ELIGIBLE PERSON.—The term 'eligible person' means an individual who—

"(A) is seriously mentally ill or has chronic problems with drug or alcohol abuse (or both);

"(B) resides primarily in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, which may include occasional residence in an emergency shelter; and

"(C) is at the time unable to participate in mental health treatment programs or to receive other supportive services.

"(3) FACILITY.—The term 'facility' means a structure or a portion of a structure that is assisted under this subtitle.

"(4) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means an organization—

"(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

"(B) that has a voluntary board;

"(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and

"(D) that practices nondiscrimination in the provision of assistance.

"(5) OPERATING COSTS.—The term 'operating costs' means expenses incurred by a recipient operating a safe haven under this subtitle with respect to—

"(A) the operation of the facility, including the cost of 24-hour management, and maintenance, repair, and security;

"(B) utilities, fuel, furnishings, and equipment for such housing; and

"(C) other reasonable costs necessary to the operation of the facility.

"(6) RECIPIENT.—The term 'recipient' means an applicant that receives assistance under this subtitle.

"(7) SAFE HAVEN.—The term 'safe haven' means a facility that—

"(A) provides a 24-hour residence for an unspecified duration for eligible persons;

"(B) provides private, semiprivate accommodations;

"(C) may provide for the common use of dining rooms and bathrooms; and

"(D) in which occupancy is limited to no more than 25 persons.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(9) SERIOUSLY MENTALLY ILL.—The term 'seriously mentally ill' means having a severe and persistent mental or emotional impairment that seriously limits a person's ability to live independently.

"(10) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau.

"(11) SUPPORTIVE SERVICES.—The term 'supportive services' means assistance that the Secretary determines (A) addresses the special needs of eligible persons, and (B) provides appropriate services, or assists such persons, to obtain appropriate services, including health care, mental health services, substance and alcohol abuse services, case management services, coun-

selling, supervision, education, job training, and other services essential for achieving and maintaining independent living. The term does not include acute hospital care.

"(12) UNIT OF GENERAL LOCAL GOVERNMENT.—The term 'unit of general local government' has the meaning given the term in section 102(a) of the Housing and Community Development Act of 1974.

#### "SEC. 433. PROGRAM ASSISTANCE.

"(a) IN GENERAL.—

"(1) ELIGIBLE ACTIVITIES.—The Secretary may provide assistance with respect to a program under this subtitle for the following activities:

"(A) The construction of a structure for use in providing a safe haven or the acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure for use in providing a safe haven.

"(B) The leasing of an existing structure for use in providing a safe haven.

"(C) To cover the operating costs of a safe haven.

"(D) To cover the costs of administering a safe haven program, not to exceed 10 percent of the amounts made available for activities under subparagraphs (A) through (C).

"(2) PERIOD OF ASSISTANCE.—Assistance may be provided to any safe haven program for activities under paragraphs (1)(B), (C), and (D) for a period of not more than 5 years, except that the Secretary may, upon application by the recipient, provide assistance for an additional period of time, not to exceed 5 years, subject to—

"(A) the determination of the Secretary that the performance of the recipient under this subtitle is satisfactory; and

"(B) the availability of future appropriations.

"(3) LIMIT ON AMOUNT.—The total amount of assistance provided to any recipient under this subsection may not exceed \$400,000 in any 5-year period.

"(b) MATCHING REQUIREMENTS.—

"(1) IN GENERAL.—Each recipient shall supplement the assistance provided under this subtitle with an equal amount of funds from sources other than this subtitle. Each recipient shall certify to the Secretary that it has complied with this subsection, and shall include with the certification a description of the sources and amounts of such supplemental funds.

"(2) DETERMINATION OF MATCHING AMOUNTS.—In calculating the amount of supplemental funds provided under paragraph (1), a recipient may include any State, local agency, and private funds, the value of any lease on a building, any salary paid to staff to carry out the safe haven program of the recipient, and the value of the time and services contributed by volunteers, at a rate determined by the Secretary, to carry out the safe haven program of the recipient.

#### "SEC. 434. PROGRAM REQUIREMENTS.

"(a) APPLICATIONS.—Applications for assistance under this subtitle shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish, and such applications shall contain at a minimum—

"(1) a description of the proposed facility;

"(2) a description of the number and characteristics of the eligible persons expected to occupy the safe haven;

"(3) a plan for identifying and selecting eligible persons to participate;

"(4) a program plan, containing a description of the method—

"(A) of operation of the facility, including staffing plans and facility rules;

"(B) by which the applicant will secure supportive services for residents of the safe haven;

"(C) by which the applicant will monitor the willingness of residents to engage in treatment programs and other supportive services;

"(D) by which access to supportive services will be secured for residents willing to use them;

"(E) by which access to permanent housing with appropriate services, such as the Shelter Plus Care program under subtitle F, will be sought after residents are stabilized; and

"(F) by which the applicant will conduct outreach activities to facilitate the entrance of eligible persons into the safe haven;

"(5) a plan to ensure that adequate security precautions are taken to make the facility safe for the residents;

"(6) an estimate of program costs;

"(7) a description of the resources that are expected to be made available in accordance with section 433(b);

"(8) assurances satisfactory to the Secretary that the facility will have 24-hour management;

"(9) assurances satisfactory to the Secretary that the facility will be operated for the purpose specified in the application for each year in which assistance is provided under this subtitle;

"(10) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the State or unit of general local government within which the facility is located that the proposed activities are consistent with the approved housing strategy for such jurisdiction;

"(11) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing;

"(12) a plan for program evaluation based on information that is collected on a periodic basis regarding the characteristics of the residents, including their movement in and out of the safe haven, their willingness to use supportive services, and their movement toward a more traditional form of permanent housing after a period of stabilization in the safe haven; and

"(13) such other information as the Secretary may require.

"(b) SITE CONTROL.—The Secretary shall require that an applicant furnish reasonable assurances that the applicant will have control of a site for the proposed facility not later than 1 year after notification of an award of assistance under this subtitle. If an applicant fails to obtain control of the site within this period, the grant shall be recaptured by the Secretary and reallocated for use under this subtitle.

"(c) SELECTION CRITERIA.—The Secretary shall establish selection criteria for selecting applicants to receive assistance under this subtitle pursuant to a national competition, which shall include—

"(1) the extent to which the applicant demonstrates the ability to develop and operate a safe haven;

"(2) the extent to which there is a need for a safe haven in the jurisdiction in which the facility will be located;

"(3) the extent to which the program would link eligible persons to permanent housing and supportive services after stabilization in a safe haven;

"(4) the cost-effectiveness of the proposed program;

"(5) providing for geographical diversity among applicants selected to receive assistance;

"(6) the extent to which the safe haven would meet the need of the eligible persons proposed to be served by the safe haven; and

"(7) such other factors as the Secretary determines to be appropriate for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

"(d) REQUIRED AGREEMENTS.—The Secretary may not provide assistance under this subtitle

for any safe haven program unless the applicant agrees—

"(1) to develop and operate the proposed facility as a safe haven in accordance with the provisions of this subtitle;

"(2) to ensure that the facility meets any standards of habitability established by the Secretary;

"(3) to provide mental health services for the residents of the safe haven;

"(4) to prohibit the use of illegal drugs and alcohol in the facility;

"(5) to ensure that adequate security precautions are taken to make the facility safe for the residents;

"(6) not to establish limitations on the duration of residency;

"(7) not to require participation in supportive services as a condition of occupancy;

"(8) to monitor and report to the Secretary on progress in carrying out the safe haven program;

"(9) to utilize, to the maximum extent practicable, eligible persons in constructing, renovating, maintaining, and operating facilities assisted under this subtitle and in providing services assisted under this subtitle;

"(10) to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such recipient (in accordance with regulations that the Secretary shall issue), to the extent that such entity considers and makes policies and decisions regarding any facility or services assisted under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions; and

"(11) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program established under this subtitle in an effective and efficient manner.

#### "SEC. 435. OCCUPANCY CHARGE.

"Each eligible person who resides in a facility assisted under this subtitle shall pay an occupancy charge not in excess of the amount determined under section 3(a) of the United States Housing Act of 1937. The recipient providing a facility may establish an occupancy charge lower than such amount based on the type of living accommodations provided.

#### "SEC. 436. TERMINATION OF ASSISTANCE.

"If an eligible person who resides in a safe haven or receives supportive services under a safe haven program violates any program rules or requirements, the recipient may terminate such residency or assistance in accordance with a formal process, established by the recipient, that recognizes the rights of individuals residing in safe havens and receiving assistance to due process of law.

#### "SEC. 437. EVALUATION AND REPORT.

"The Secretary shall conduct an evaluation of the safe haven demonstration program under this subtitle and shall submit a report to the Congress, not later than December 31, 1994, which shall set forth the findings of the Secretary as a result of the evaluation.

#### "SEC. 438. REGULATIONS.

"Not later than the expiration of the 90-day period beginning on the date of the enactment of the Housing and Community Development Act of 1992, the Secretary shall issue interim regulations to carry out this subtitle, which shall take effect upon issuance. The Secretary shall issue final regulations to carry out this subtitle after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration



of the period for public comment shall not be less than 60 days, and the final regulations shall be issued not later than the expiration of the 60-day period beginning upon the conclusion of the comment period and shall take effect upon issuance.

**"SEC. 439. AUTHORIZATION OF APPROPRIATIONS.**

"There is authorized to be appropriated to carry out this subtitle \$50,000,000 for fiscal year 1993."

**SEC. 1005. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.**

(a) **BUDGET AUTHORITY.**—Section 441(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(a)) is amended to read as follows:

"(a) **INCREASE IN BUDGET AUTHORITY.**—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act (as in effect immediately before the enactment of the Housing and Community Development Act of 1992) is authorized to be increased by \$89,696,000 on or after October 1, 1992."

(b) **EMPLOYMENT OF HOMELESS INDIVIDUALS.**—Section 441(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(c)) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) assurances satisfactory to the Secretary that the applicant will utilize, to the maximum extent practicable, homeless individuals and families in rehabilitating and operating facilities assisted under this section and in providing services for occupants of such facilities."

(c) **PARTICIPATION OF HOMELESS INDIVIDUALS AND TERMINATION OF ASSISTANCE.**—Section 441 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401) is amended by adding at the end the following new subsections:

"(h) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—The Secretary shall, by regulation, require each public housing agency receiving assistance under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the agency, to the extent that such entity considers and makes policies and decisions regarding the rehabilitation of any housing with assistance under this section, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

"(i) **TERMINATION OF ASSISTANCE.**—If an individual or family who receives assistance under this section violates program requirements, the recipient of amounts made available under this section may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law."

**SEC. 1006. SHELTER PLUS CARE PROGRAM.**

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 459 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403h) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) **IN GENERAL.**—For purposes of the housing programs under this subtitle, there is authorized to be appropriated \$269,144,000 for fiscal year 1993. Of any amount appropriated in any fiscal year to carry out this subtitle—

"(1) not less than 10 percent shall be available only for carrying out part II of this subtitle;

"(2) not less than 10 percent shall be available only for carrying out part III of this subtitle;

"(3) not less than 10 percent shall be available only for carrying out part IV of this subtitle; and

"(4) not less than 10 percent shall be available only for carrying out part V of this subtitle.";

(2) by striking subsections (b) and (c); and

(3) by redesignating subsection (d) as subsection (b).

(b) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—Section 455 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403d) is amended by adding at the end the following new subsection:

"(c) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—The Secretary shall, by regulation, require each recipient to provide for the consultation and participation of not less than 1 homeless individual or former homeless individual in considering and making policies and decisions of the recipient regarding any housing assisted under this title or services for such housing."

(c) **EMPLOYMENT OF HOMELESS INDIVIDUALS.**—Section 456 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403e) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) to utilize, to the maximum extent practicable, homeless individuals and families in constructing or rehabilitating housing assisted under this title and in providing services required under this title."

(d) **REDESIGNATION AND AMENDMENT OF PART II PROVISIONS.**—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) **PART II HEADING.**—By amending the part heading for part II to read as follows:

**"PART II—TENANT-BASED RENTAL ASSISTANCE"**

(2) **PARTS II AND IV.**—By striking parts III and IV.

(3) **PURPOSE.**—By striking section 461 and inserting the following new section:

**"SEC. 471. AUTHORITY.**

"The Secretary may use amounts made available under section 463 to provide tenant-based rental housing assistance for eligible persons in accordance with this part."

(4) **HOUSING ASSISTANCE.**—By redesignating section 462 as section 472 and amending such section by striking "Where" and inserting the following: "An eligible person on behalf of whom assistance is provided under this part shall select the unit in which such person will live using rental assistance under this part; except that where"

(5) **AMOUNT OF ASSISTANCE.**—By redesignating section 463 as section 473 and amending such section by striking the last sentence.

(e) **TRANSFER, REDESIGNATION, AND AMENDMENT OF GENERAL PROVISIONS.**—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.) is amended as follows:

(1) **TERMINATION OF ASSISTANCE.**—By redesignating section 457 as section 461.

(2) **DEFINITIONS.**—By redesignating section 458 as section 462 and amending such section—

(A) by striking paragraph (2) and inserting the following new paragraph:

"(2) The term 'applicant' means a State, unit of general local government, Indian tribe, or public housing agency."; and

(B) in paragraph (5), by inserting before the period at the end "and includes community mental health centers established as public non-profit organizations".

(3) **AUTHORIZATION OF APPROPRIATIONS.**—By redesignating section 459 (as amended by subsection (a) of this section) as section 463.

(4) **HOUSING STANDARDS AND RENT REASONABLENESS.**—By redesignating section 464 as sec-

tion 457, transferring and inserting such section after section 456, and amending subsection (a)(1) of such section by striking "(or if no such agency exists in the applicable area, an entity selected by the Secretary)".

(5) **TENANT RENT AND ADMINISTRATIVE FEES.**—By transferring and inserting sections 465 and 466 after section 457 (as so redesignated by paragraph (4) of this subsection) and redesignating such sections as sections 458 and 459, respectively.

(6) **OCCUPANCY.**—By inserting after section 459 (as so redesignated by paragraph (5) of this subsection) the following new section:

**"SEC. 460. OCCUPANCY.**

"(a) **OCCUPANCY AGREEMENT.**—The occupancy agreement between a tenant and an owner of a dwelling unit assisted under this subtitle shall be for at least one month.

"(b) **VACANCY PAYMENTS.**—If an eligible person vacates a dwelling unit assisted under this subtitle before the expiration of the occupancy agreement, no assistance payment may be made with respect to the unit after the month that follows the month during which the unit was vacated, unless it is occupied by another eligible person."

(f) **PROJECT- AND SPONSOR-BASED RENTAL ASSISTANCE AND SINGLE ROOM OCCUPANCY DWELLINGS.**—Subtitle F of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.), as amended by the preceding provisions of this section, is further amended by inserting at the end the following new parts:

**"PART III—PROJECT-BASED RENTAL ASSISTANCE"**

**"SEC. 476. AUTHORITY.**

"The Secretary may use amounts made available under section 463 to provide project-based rental housing assistance for eligible persons in accordance with this part.

**"SEC. 477. HOUSING ASSISTANCE.**

"Assistance under this part shall be provided pursuant to a contract between the recipient and an owner of an existing structure. The contract shall provide that rental assistance payments shall be made to the owner and that the units in the structure shall be occupied by eligible persons for not less than the term of the contract.

**"SEC. 478. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.**

"(a) **TERM OF CONTRACT.**—Each contract with a recipient for assistance under this part shall be for a term of 5 years, and the owner shall have an option to renew the assistance for an additional 5-year term, subject to the availability of amounts provided in appropriation Acts; except that if an expenditure of at least \$3,000 for each unit (including its prorated share of work on common areas or systems) is required to make the structure decent, safe, and sanitary, and the owner agrees to carry out the rehabilitation with resources other than assistance under this subtitle within 12 months of notification of grant approval, the contract shall be for a term of 10 years.

"(b) **AMOUNT OF ASSISTANCE.**—Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(e) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

**"PART IV—SPONSOR-BASED RENTAL ASSISTANCE"**

**"SEC. 481. AUTHORITY.**

"The Secretary may use amounts made available under section 463 to provide sponsor-based rental assistance for eligible persons in accordance with this part.

**"SEC. 482. HOUSING ASSISTANCE.**

"Assistance under this part shall be provided pursuant to a contract between the recipient and a private nonprofit sponsor that owns or leases dwelling units. The contract shall provide that rental assistance payments shall be made to the sponsor and that such assisted units shall be occupied by eligible persons.

**"SEC. 483. TERM OF CONTRACT AND AMOUNT OF ASSISTANCE.**

"(a) **TERM OF CONTRACT.**—The contract with a recipient of assistance under this part shall be for a term of 5 years.

"(b) **AMOUNT OF ASSISTANCE.**—Each contract shall provide that the recipient shall receive aggregate amounts not to exceed the appropriate existing housing fair market rental under section 8(e) of the United States Housing Act of 1937 in effect at the time the application is approved. Any amounts not needed for a year may be used to increase the amount available in subsequent years.

**"PART V—SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE-ROOM OCCUPANCY DWELLINGS****"SEC. 486. AUTHORITY.**

"The Secretary may use amounts made available under section 463 in connection with the moderate rehabilitation of single room occupancy housing described in section 8(l) of the United States Housing Act of 1937 for occupancy by eligible persons in accordance with this part. Amounts available under section 463 may be used in connection with the moderate rehabilitation of efficiency units if the building owner agrees to pay the additional cost of rehabilitating and operating the efficiency units.

**"SEC. 487. FIRE AND SAFETY IMPROVEMENTS.**

"Each contract for housing assistance payments entered into under this part shall require the installation of a sprinkler system that protects all major spaces, hard-wired smoke detectors, and any other fire safety improvements as may be required by State or local law. For purposes of this section, the term 'major spaces' means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

**"SEC. 488. CONTRACT REQUIREMENTS.**

"Each contract for annual contributions entered into by the Secretary with a public housing agency to obligate the authority made available under section 463 for use under this part shall—

"(1) commit the Secretary to make the authority available to the public housing agency for an aggregate period of 10 years, and require that any amendments increasing the authority shall be available for the remainder of such 10-year period;

"(2) provide the Secretary with the option to renew the contract for an additional period of 10 years, subject to the availability of authority; and

"(3) provide that, notwithstanding any other provision of law, first priority for occupancy of housing rehabilitated under this part shall be given to homeless persons."

(g) **TECHNICAL AND CONFORMING AMENDMENTS.**—Subtitle F of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11403 et seq.), as amended by the preceding provisions of this section, is further amended—

(1) by striking the heading for part I and inserting the following new heading:

**"PART I—GENERAL REQUIREMENTS";**

(2) in section 452(a), by striking "and IV" and inserting "IV, and V"; and

(3) in section 454(b)—

(A) in paragraph (1), by striking "or IV" and inserting "IV, or V";

(B) in paragraph (8), by striking "or IV" and inserting "IV, or V";

(C) in paragraph (10)(A), by inserting ", or II" after "part II"; and

(D) in paragraph (11)—

(i) by striking "part III" and inserting "part V"; and

(ii) by striking "rehabilitation and".

**SEC. 1007. FHA SINGLE FAMILY PROPERTY DISPOSITION.**

(a) **30-DAY MARKETING PERIOD.**—Except as provided in subsection (b), in carrying out the program for disposition of single family properties acquired by the Department of Housing and Urban Development for use by the homeless under subpart E of part 291 of title 24, Code of Federal Regulations, the Secretary of Housing and Urban Development may not make any eligible property available for lease under such program that has not been listed and made generally available for sale by the Secretary for a period of at least 30 days.

(b) **EXCEPTION.**—With respect to any area for which the Secretary determines that there will not be a sufficient quantity of decent, safe, and sanitary affordable housing available for use under the program referred to in subsection (a) if eligible properties located in the area are made generally available for the 30-day period under subsection (a), the Secretary shall reserve for disposition under such program not more than 10 percent of the total number of eligible properties located in the area and shall not market such properties as provided under subsection (a). The Secretary shall consult with the unit of general local government for an area in determining which properties should be reserved for disposition under this subsection.

**SEC. 1008. RURAL HOMELESS HOUSING ASSISTANCE.**

Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended by adding at the end the following new subtitle:

**"Subtitle G—Rural Homeless Housing Assistance****"SEC. 491. DISPOSITION OF SINGLE FAMILY PROPERTIES ACQUIRED BY FMHA.**

"(a) **IN GENERAL.**—Pursuant to the authority provided under section 510(e) of the Housing Act of 1949, the Secretary of Agriculture shall carry out a program to make eligible properties under this section available for acquisition by qualified applicants for use only for the purpose of providing housing for homeless individuals and families.

"(b) **AVAILABILITY OF PROPERTIES.**—In each fiscal year, the Secretary shall make available under the program under this section not less than 10 percent of the total number of eligible properties held by the Secretary.

"(c) **METHODS OF ACQUISITION.**—Eligible properties made available to qualified applicants under this section shall be available for lease with an option to purchase, for lease pursuant to a lease-option agreement to applicants for acquisition advances under the Supportive Housing Demonstration Program under subtitle C, and for purchase, in the same manner as properties are made available by the Secretary of Housing and Urban Development under the program for disposition of single family properties acquired by the Department of Housing and Urban Development for lease and sale for the homeless under subpart E of part 291, title 24, Code of Federal Regulations, as in effect on April 2, 1991.

"(d) **EMPLOYMENT OF HOMELESS INDIVIDUALS.**—A qualified applicant may only participate in a program under this section if the qualified applicant utilizes, to the maximum extent practicable, homeless individuals and families in maintaining, operating, and renovating any properties leased or acquired under this section and in providing any services for occupants of properties assisted under this section.

"(e) **PARTICIPATION OF HOMELESS INDIVIDUALS.**—The Secretary shall, by regulation, require each qualified applicant that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such organization or applicant, to the extent that such organization or applicant considers and makes policies and decisions regarding any property acquired under this section, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

"(f) **DEFINITIONS.**—For purposes of this section:

"(1) The term 'eligible property' means a property that—

"(A) is acquired and held by the Secretary;

"(B) consists of 1 to 4 dwelling units;

"(C) is vacant at the time it is acquired;

"(D) has been listed for sale by the Secretary for not less than 30 days; and

"(E) is not subject to a sale contract and has not been committed for use in any other program of the Secretary.

"(2) The term 'qualified applicant' means a State, metropolitan city, urban county, governmental entity, tribe, or private nonprofit organization that submits a written expression of interest in eligible properties available under this section.

"(3) The term 'Secretary' means the Secretary of Agriculture.

"(g) **REGULATIONS.**—The Secretary of Agriculture shall issue any regulations necessary to carry out this section. Such regulations shall be substantially similar to the regulations issued by the Secretary of Housing and Urban Development for the program for disposition of single family properties acquired by the Department of Housing and Urban Development for lease and sale for the homeless contained in subpart E of part 291, title 24, Code of Federal Regulations (as in effect on April 2, 1991). The regulations issued under this section may vary from such regulations issued by the Secretary of Housing and Urban Development only to the extent made necessary by the provisions of this section and to the extent necessary to provide for circumstances of disposition of properties acquired by the Secretary of Agriculture that differ from circumstances of disposition of properties acquired by the Secretary of Housing and Urban Development.

**"SEC. 492. RURAL HOMELESSNESS GRANT PROGRAM.**

"(a) **ESTABLISHMENT.**—The Secretary of Agriculture shall establish and carry out a rural homelessness grant program under this section. In carrying out the program, the Secretary may award grants to eligible organizations in order to pay for the Federal share of the cost of—

"(1) assisting programs providing direct emergency assistance to homeless individuals and families;

"(2) providing homelessness prevention assistance to individuals and families at risk of becoming homeless; and

"(3) assisting individuals and families in obtaining access to permanent housing and supportive services.

"(b) **USE OF FUNDS.**—

"(1) **IN GENERAL.**—An eligible organization may use a grant awarded under subsection (a) to provide, in rural areas—

"(A) rent, mortgage, or utility assistance after 2 months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service;

"(B) security deposits, rent for the first month of residence at a new location, and relocation assistance;

"(C) short-term emergency lodging in motels or shelters, either directly or through vouchers;



“(D) transitional housing;

“(E) rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable;

“(F) housing services, including housing counseling and moving services;

“(G) costs associated with making use of Federal inventory property programs to house homeless families, including the programs established under section 491 and title V of this Act, and the single family property disposition program established pursuant to section 204(g) of the National Housing Act; and

“(H) other supportive services as needed, which may include outreach, case management, entitlement assistance, transportation, and health and social services to prevent or alleviate homelessness.

“(2) CAPACITY BUILDING ACTIVITIES.—Not more than 20 percent of the funds appropriated under subsection (k)(1) for a fiscal year may be used by eligible organizations for capacity building activities, including payment of operating costs and staff retention.

“(c) AWARD OF GRANTS.—

“(1) COMMUNITIES WITH POPULATIONS OF LESS THAN 20,000.—

“(A) SET-ASIDE.—In awarding grants under subsection (a) for a fiscal year, the Secretary shall make available not less than 50 percent of the funds appropriated under subsection (k)(1) for the fiscal year for awarding grants to eligible organizations serving communities that have populations of less than 20,000.

“(B) PRIORITY WITHIN SET-ASIDE.—In awarding grants in accordance with subparagraph (A), the Secretary shall give priority to eligible organizations serving communities with populations of less than 10,000.

“(2) COMMUNITIES WITHOUT SIGNIFICANT FEDERAL ASSISTANCE.—In awarding grants under subsection (a), including grants awarded in accordance with paragraph (1), the Secretary shall give priority to eligible organizations serving communities not currently receiving significant Federal assistance under the Stewart B. McKinney Homeless Assistance Act.

“(3) STATE LIMIT.—In awarding grants under subsection (a) for a fiscal year, the Secretary shall not award to eligible organizations within a State an aggregate sum of more than 5 percent of the funds appropriated under subsection (k)(1) for the fiscal year.

“(d) APPLICATION.—In order to be eligible to receive a grant under subsection (a), an organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. At a minimum the application shall include—

“(1) a description of the target population and geographic area to be served;

“(2) a description of the types of assistance to be provided;

“(3) an assurance that the assistance to be provided is closely related to the identified needs of the target population;

“(4) a description of the existing assistance available to the target population, including Federal, State, and local programs, and a description of the manner in which the organization will coordinate with and expand existing assistance or provide assistance not available in the immediate area;

“(5) an agreement by the organization that the organization will collect data on the projects conducted by the organization, including assistance provided, number and characteristics of persons served, and causes of homelessness for persons served; and

“(6) an agreement by the organization that the organization will utilize, to the maximum extent practicable, homeless individuals and

families in providing, operating, and rehabilitating housing assisted under this section and in providing services assisted under this section and services for occupants of housing assisted under this section.

“(e) ELIGIBLE ORGANIZATIONS.—Organizations eligible to receive a grant under subsection (a) shall include private nonprofit entities, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974), and county and local governments.

“(f) FEDERAL SHARE.—

“(1) IN GENERAL.—The Federal share of the costs of providing assistance under this section shall be 75 percent.

“(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of providing the assistance shall be in cash or in kind, fairly evaluated, including plant, equipment, staff services, or services delivered by volunteers.

“(g) PARTICIPATION OF HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each eligible organization receiving a grant under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the recipient, to the extent that such entity considers and makes policies and decisions regarding any housing, services, or other assistance of the eligible organization receiving the grant under this subtitle, or to otherwise provide for the consultation and participation of such an individual in considering and making such policies and decisions.

“(h) EVALUATION.—

“(1) IN GENERAL.—The Secretary shall perform an evaluation of the program to—

“(A) determine the effectiveness of the program in providing housing and other assistance to homeless persons in the area served; and

“(B) determine the types of assistance needed to address homelessness in rural areas.

“(2) REPORT.—The Secretary shall submit to Congress, not later than 18 months after the date on which the Secretary first makes grants under the program, the evaluation of the program described in paragraph (1), including recommendations for any Federal administrative or legislative changes that may be necessary to improve the ability of rural communities to prevent and respond to homelessness.

“(i) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to eligible organizations in developing programs in accordance with this section, and in gaining access to other Federal resources that may be used to assist homeless persons in rural areas. Such assistance may be provided through regional workshops, and may be provided directly or through grants to, or contracts with, nongovernmental entities.

“(j) TERMINATION OF ASSISTANCE.—If an individual or family who receives assistance under this section violates requirements of the assistance program provided by the organization receiving a grant under this section, the organization may terminate assistance in accordance with a formal process established by the organization that recognizes the rights of individuals receiving such assistance to due process of law.

“(k) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 1993.

“(2) AVAILABILITY.—Any amount paid to a grant recipient for a fiscal year that remains unobligated at the end of the year shall remain available to the recipient for the purposes for which the payment was made for the next fiscal year. The Secretary shall take such action as may be necessary to recover any amount not obligated by the recipient at the end of the second fiscal year, and shall redistribute the amount to another eligible organization.

“(l) DEFINITIONS.—For purposes of this section:

“(1) PROGRAM.—The term ‘program’ means the rural homelessness grant program established under this section.

“(2) RURAL AREA; RURAL COMMUNITY.—The terms ‘rural area’ and ‘rural community’ mean—

“(A) any area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget; or

“(B) any area or community, respectively, that is—

“(i) within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area; and

“(ii) located in a rural census tract.

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.”.

#### SEC. 1009. EVALUATIONS OF PROGRAMS BY HOMELESS.

Section 108(a)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12708(a)(1)) is amended by inserting after the period at the end the following new sentences: “The Secretary shall also require the report of each participating jurisdiction to contain an evaluation of the effectiveness of each program that receives assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and serves the jurisdiction submitting the report. The evaluations shall be conducted by surveying the homeless individuals and families assisted under the programs.”.

#### SEC. 1010. EXTENSION OF ORIGINAL MCKINNEY ACT HOUSING PROGRAMS.

The Cranston-Gonzalez National Affordable Housing Act is amended by striking sections 821 and 823 (42 U.S.C. 11361 note). The amendment made by such section 821 of such Act shall not take effect.

#### SEC. 1011. CONSULTATION AND REPORT REGARDING USE OF NATIONAL GUARD FACILITIES AS OVERNIGHT SHELTERS FOR HOMELESS INDIVIDUALS.

(a) USE OF AVAILABLE SPACE AT NATIONAL GUARD FACILITIES.—The Secretary of Housing and Urban Development shall consult with the chief executive officers of the States and the Secretary of Defense to determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of only such space that can be used for shelter purposes during periods it is not actively being used for National Guard purposes. The Secretary of Housing and Urban Development shall also determine the availability of incidental services at such facilities, including utilities, bedding, security, transportation, renovation of facilities, minor repairs undertaken specifically to make available space in a facility suitable for use as an overnight shelter for homeless individuals, and property liability insurance.

(b) LIMITATIONS.—In consultations under this section, the Secretary of Housing and Urban Development shall determine—

(1) the number and capacity of such facilities that may be made available for shelters for homeless persons and families without adversely affecting the military or emergency service preparedness of the State or the United States; and

(2) whether any available space is suitable for use as an overnight shelter for homeless individuals or can, with minor repairs, be made suitable for that use.

(c) REPORT.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, a report regarding the consultations

and determinations made by the Secretary under this section. The report shall include any recommendations of the Secretary regarding the need for, and feasibility of, using National Guard facilities for homeless shelters and any recommendations of the Secretary for administrative or legislative action to provide for such use.

#### SEC. 1012. AMENDMENTS TO TABLE OF CONTENTS.

The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended—

(1) by striking the item relating to the heading for subtitle C of title IV and all that follows through the item relating to section 484 and inserting the following new items:

##### "Subtitle C—Supportive Housing Program

- "Sec. 421. Purpose.
- "Sec. 422. Definitions.
- "Sec. 423. Eligible activities.
- "Sec. 424. Supportive housing.
- "Sec. 425. Supportive services.
- "Sec. 426. Program requirements.
- "Sec. 427. Regulations.
- "Sec. 428. Reports to Congress.
- "Sec. 429. Authorization of appropriations.

##### "Subtitle D—Safe havens for homeless individuals demonstration program.

- "Sec. 431. Establishment of demonstration.
- "Sec. 432. Definitions.
- "Sec. 433. Program assistance.
- "Sec. 434. Program requirements.
- "Sec. 435. Occupancy charge.
- "Sec. 436. Termination of assistance.
- "Sec. 437. Evaluation and report.
- "Sec. 438. Regulations.
- "Sec. 439. Authorization of appropriations.

##### "Subtitle E—Miscellaneous Programs

- "Sec. 441. Section 8 assistance for single room occupancy dwellings.
- "Sec. 442. Community development block grant amendment.
- "Sec. 443. Administrative provisions.

##### "Subtitle F—Shelter Plus Care Program

##### "PART I—GENERAL REQUIREMENTS

- "Sec. 451. Purpose.
- "Sec. 452. Rental housing assistance.
- "Sec. 453. Supportive services requirements.
- "Sec. 454. Applications.
- "Sec. 455. Selection criteria.
- "Sec. 456. Required agreements.
- "Sec. 457. Housing standards and rent reasonableness.
- "Sec. 458. Tenant rent.
- "Sec. 459. Administrative fees.
- "Sec. 460. Occupancy.
- "Sec. 461. Termination of assistance.
- "Sec. 462. Definitions.
- "Sec. 463. Authorization of appropriations.

##### "PART II—TENANT-BASED RENTAL ASSISTANCE

- "Sec. 471. Authority.
- "Sec. 472. Housing assistance.
- "Sec. 473. Amount of assistance.

##### "PART III—PROJECT-BASED RENTAL ASSISTANCE

- "Sec. 476. Authority.
- "Sec. 477. Housing assistance.
- "Sec. 478. Term of contract and amount of assistance.

##### "PART IV—SPONSOR-BASED RENTAL ASSISTANCE

- "Sec. 481. Authority.
- "Sec. 482. Housing assistance.
- "Sec. 483. Term of contract and amount of assistance.

##### "PART V—SECTION 8 MODERATE REHABILITATION ASSISTANCE FOR SINGLE-ROOM OCCUPANCY DWELLINGS

- "Sec. 486. Authority.
- "Sec. 487. Fire and safety improvements.
- "Sec. 488. Contract requirements.

##### "Subtitle G—Rural Homeless Housing Assistance

"Sec. 491. Disposition of single family properties acquired by FMHA.

"Sec. 492. Rural homelessness grant program.";

(2) by striking the item relating to section 501 and inserting the following new item:

"Sec. 501. Use of unutilized and underutilized public buildings and real property to assist the homeless.";

(3) by striking the items relating to sections 722 through 725 and inserting the following new items:

"Sec. 722. Grants for State and local activities for the education of homeless children and youth.

"Sec. 723. Local educational agency grants for the education of homeless children and youth.

"Sec. 724. National responsibilities.

"Sec. 725. Reports.

"Sec. 726. Definitions.";

(4) by inserting after the item relating to section 754 the following new items:

"Sec. 755. Evaluation.

"Sec. 756. Report by the Secretary.";

and

(5) by inserting after the item relating to section 762 the following new items:

##### "Subtitle F—Family Support Centers

"Sec. 771. Definitions.

"Sec. 772. General grants for the provision of services.

"Sec. 773. Training and retention.

"Sec. 774. Family case managers.

"Sec. 775. Gateway programs.

"Sec. 776. Evaluation.

"Sec. 777. Report.

"Sec. 778. Construction.

"Sec. 779. Authorization of appropriations.".

#### TITLE XI—NEW TOWNS DEMONSTRATION PROGRAM FOR EMERGENCY RELIEF OF LOS ANGELES

##### SEC. 1101. AUTHORITY.

To provide for the revitalization and renewal of inner city neighborhoods in the areas of Los Angeles, California, that were damaged by the civil disturbances during April and May of 1992, and to demonstrate the effectiveness of new town developments in revitalizing and restoring depressed and underprivileged inner city neighborhoods, the Secretary of Housing and Urban Development shall, to the extent or in such amounts as are provided in appropriation Acts, make any assistance authorized under this title available under this title to units of general local government, governing boards, and eligible mortgagors in accordance with the provisions of this title.

##### SEC. 1102. NEW TOWN PLAN.

(a) REQUIREMENT.—The Secretary may make assistance available under this title only in connection with, and according to the provisions of a new town plan developed and established by a governing board under section 1107 and approved under subsection (d) of this section. In developing such plans, the governing board shall consult with representatives of the units of general local government within whose boundaries are located any portion of the new town demonstration area for the demonstration program to be carried out under such plan.

(b) ELIGIBLE NEW TOWN DEMONSTRATION AREAS.—A new town plan under this section shall provide for carrying out a new town development demonstration providing assistance available under this title within a new town demonstration area, which shall be a geographic area defined in the new town plan—

(1) that is one of pervasive poverty, unemployment, and general distress;

(2) that has an unemployment rate of not less than 1.5 times the national unemployment rate for the 2 years preceding approval of the new town plan;

(3) that has a poverty rate of not less than 20 percent such 2-year period;

(4) for which not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the unit of general local government in which they are located;

(5) that has a shortage of adequate jobs for residents; and

(6) that is located—

(A) in or near the City of Los Angeles, in the State of California; and

(B) within an area for which the President, pursuant to title IV or V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, declared that a major disaster or emergency existed for purposes of such Act, as a result of the civil disturbances involving acts of violence occurring on or after April 29, 1992, and before May 6, 1992.

(c) CONTENTS.—Each new town plan shall include the following information:

(1) GOVERNING BOARD.—A description of the members and purposes of the governing board that developed the plan, the manner in which members of the governing board were selected, and the businesses, agencies, interests, and community ties of each member of the governing board.

(2) NEW TOWN DEMONSTRATION AREA.—A definition and description of the new town demonstration area for the new town development demonstration to be assisted under this title.

(3) TARGET COMMUNITY.—A description of the economic, social, racial, and ethnic characteristics of the population of the neighborhood or area in which the new town demonstration area is located.

(4) AGREEMENTS.—Agreements that the governing board will carry out the new town demonstration program in accordance with the requirements of this title.

(5) HOUSING UNITS.—A description of the number, size, location, cost, style, and characteristics of rental and homeownership housing units to be developed under the new town demonstration program, any financing for developing such housing, and the amount of assistance necessary under section 1105 for developing the housing under the program.

(6) JOBS.—A description of the number, types, and duration of any new jobs that will be created in the new town demonstration area and surrounding areas as a result of the demonstration program, and of any job training activities and apprenticeship programs to be made available in connection with the program.

(7) SOCIAL SERVICES.—A description of the social and supportive services to be made available under the demonstration program to residents of housing assisted under the demonstration program pursuant to section 1103(d) and to residents of the new town demonstration area.

(8) SUPPLEMENTAL RESOURCES.—A description of any funds, assistance, in-kind contributions, and other resources to be made available in connection with the demonstration program, including the sources and amounts of any private capital resources and non-Federal funds required under section 1103(h).

(9) CONTRACTORS AND DEVELOPERS.—A listing of the contractors and developers who will carry out any construction and rehabilitation work for development of housing under the demonstration program and the expected costs involved in hiring such contractors and developers.

(10) FINANCING FOR HOMEBUYERS.—A description of any mortgage lenders who have indicated that they will make financing available to



families purchasing housing developed under the demonstration program through mortgages eligible for insurance under section 1104 and proposed terms of such mortgages.

(11) **COMMITMENTS.**—Evidence of any commitments entered into for making any of the resources described in paragraphs (6) through (8) available in connection with the demonstration program.

(12) **PRESALE REQUIREMENTS.**—A description of commitments made to purchase not less than 50 percent of the housing to be developed under the demonstration program for purchase by the occupant and to rent not less than 50 percent of the rental dwelling units to be developed under the demonstration program.

(13) **COMMUNITY DEVELOPMENT ACTIVITIES.**—A description of the community development activities to be carried out with assistance under section 1106, the amount of assistance necessary under such section for such activities, and of the projected uses of such assistance.

(d) **REVIEW AND APPROVAL.**—

(1) **SUBMISSION.**—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, a governing board shall submit a new town plan under this section to the chief executive officers of each unit of general local government within whose boundaries is located any portion of the new town demonstration area described under the plan of the board.

(2) **APPROVAL.**—For a plan to be eligible for assistance available under this title, the chief executive officer of all units of general local government to whom the new town plan is submitted shall approve the plan after review. A governing board may resubmit for approval any plan returned by any such chief executive officer to the governing board, and such chief executive officer may, upon returning the plan indicate any modifications necessary for approval. A new town plan may not be approved unless such chief executive officers determine that the membership of the governing board submitting the plan is constituted in accordance with section 1107 and the governing board is capable of carrying out the plan.

(3) **AMENDMENT.**—An approved new town plan for the demonstration program developed by the governing board may be amended by the board by obtaining approval of the amendment in the manner provided under this subsection for approval of plans. If the chief executive officer of the unit of general local government does not approve or return the amended plan within 30 days of submission, the amended plan shall be considered to be approved for purposes of this subsection.

#### SEC. 1103. NEW TOWN DEVELOPMENT DEMONSTRATION PROGRAM REQUIREMENTS.

(a) **IN GENERAL.**—Each of the 2 new town development demonstration programs selected for assistance under this title under section 1102 shall be carried out, by the governing board submitting the new town plan for the demonstration program, in accordance with such plan (and any approved amendments of such plans) and shall be subject to the requirements under this section.

(b) **LOCAL PARTICIPATION.**—With respect to any activities carried out under the demonstration program, the program shall give preference in awarding contracts, purchasing materials, acquiring services, and obtaining assistance or training, to contractors, businesses, developers, professionals, and other establishments located or having offices within the new town demonstration area.

(c) **HOUSING.**—

(1) **NUMBER OF UNITS.**—The demonstration program shall construct or renovate not less than 1500 dwelling units in the new town dem-

onstration area, of which not less than 60 percent shall be units available for purchase by the occupant.

(2) **AFFORDABILITY.**—Units of varying sizes and costs shall be designed and developed under the demonstration program so that the program provides housing affordable to families of varying incomes not exceeding 120 percent of the median income for the area in which the new town demonstration area is located, including very low- and low-income families (as such terms are defined in section 3(b) of the United States Housing Act of 1937).

(3) **HOMEOWNERSHIP UNITS.**—Dwelling units developed under the demonstration program for purchase by the occupant shall initially be sold at prices affordable to families eligible to purchase such units. Such units shall be available for purchase only by families having incomes not exceeding the amount specified in paragraph (2). The demonstration shall develop 2-, 3-, and 4-bedroom units for purchase, which shall not be smaller than 1,400 square feet in size and not larger than 2,000 square feet in size.

(4) **RENTAL UNITS.**—Dwelling units developed under the demonstration program that are to be available for rental shall include family-type units and single bedroom and efficiency units designed for elderly occupants. Such units shall be available for occupancy only by families who (upon initial occupancy) have incomes of (A) less than 60 percent of the median income for the area, or (B) less than \$20,000. The units shall initially be available for rental at prices of not less than \$400 per month and not more than \$500 per month, except that an occupant family shall pay not more than 30 percent of the family income for rent.

(d) **SOCIAL SERVICES.**—The demonstration program shall provide for appropriate social and supportive services to be made available to residents of housing assisted under the demonstration program and to other residents of the new town demonstration area, which may include rental and homeownership counseling, child care, job placement, educational programs, recreational and health care facilities and programs, and other appropriate services.

(e) **JOB CREATION AND TRAINING.**—The demonstration program shall provide, to the extent practicable, that activities in connection with the demonstration program, including development of housing under subsection (c) and community development activities assisted under section 1106, shall employ and provide job training opportunities for residents of the housing assisted under the demonstration program and other residents of the new town demonstration area.

(f) **FINANCING.**—The demonstration program shall provide for coordination with banks, credit unions, and other mortgage lenders to make financing available to purchasers of units developed under the demonstration program through mortgages eligible for insurance under section 1104, and shall give preference to such mortgage lenders who have offices located within or near the new town demonstration area.

(g) **SUPPORT FACILITIES.**—The demonstration program shall encourage, facilitate, and provide for development of appropriate support facilities to serve residents in the housing developed under the program, including infrastructure and commercial facilities.

(h) **NON-FEDERAL FUNDS.**—The governing board carrying out the demonstration program shall ensure that not less than 25 percent of the total amounts used to carry out the demonstration program is provided from non-Federal sources, including State or local government funds, any salary paid to staff to carry out the demonstration program, the value of any time, services, and materials donated to carry out the program, the value of any donated building, and the value of any lease on a building.

#### SEC. 1104. FEDERAL MORTGAGE INSURANCE.

(a) **IN GENERAL.**—Pursuant to title II and section 251 of the National Housing Act, the Secretary shall (to the extent authority is available pursuant to subsection (d)) insure mortgages under this section involving properties upon which are located dwelling units described in section 1103(c)(3) of this Act that are developed under the new town demonstration programs carried out pursuant to this title.

(b) **MORTGAGE TERMS.**—Mortgages insured under this section shall—

(1) provide for periodic adjustments in the effective rate of interest charged, which—

(A) for the first 5 years of the mortgage, shall be an annual rate of not more than 7 percent; and

(B) after the expiration of such 5-year period, may increase on an annual basis, but—

(i) shall be limited, with respect to any single interest rate increase, to not more than a 10 percent increase in the annual percentage rate; and

(ii) may not be increased at any time to a rate greater than the rate necessary at such time to fully amortize the outstanding loan balance over the term of the mortgage; and

(2) have a maturity of 35 years from the date of the beginning of the amortization of the mortgage.

(c) **BOARD APPROVAL.**—The Secretary may provide insurance under this section for a mortgage only if the governing board for the demonstration program for the new town demonstration area in which the property subject to the mortgage is located has indicated to the Secretary approval of the mortgage in connection with the demonstration program.

(d) **INSURANCE AUTHORITY.**—Using any authority provided pursuant to section 531(b) of the National Housing Act to enter into commitments to insure mortgages in fiscal year 1993, the Secretary shall enter into commitments to insure loans and mortgages under this section with an aggregate principal amount not exceeding such sums as may be necessary to carry out the demonstration under this title. Mortgages insured under this section shall not be considered for purposes of the aggregate limitation on the number of mortgages insured under section 251 of the National Housing Act specified in subsection (c) of such section.

#### SEC. 1105. SECONDARY SOFT MORTGAGE FINANCING FOR HOUSING.

(a) **IN GENERAL.**—The Secretary shall, to the extent amounts are provided in appropriation Acts under subsection (e), provide assistance under this section through the governing boards carrying out the new town demonstration programs under this section to assist in the development of housing under the program.

(b) **USE.**—Any assistance provided under this section shall be used only for costs in planning, developing, constructing, and rehabilitating housing under the demonstration program available for rental or purchase by the occupant. The governing board shall determine, according to the new town plan for the demonstration program, the allocation of amounts of assistance provided under this section.

(c) **AMOUNT.**—The Secretary may not provide assistance under this section for the development of housing under a demonstration program in an amount exceeding \$50,000 per dwelling unit assisted.

(d) **SECOND MORTGAGE.**—

(1) **IN GENERAL.**—Assistance under this section shall be repaid in accordance with this subsection. Repayment of the amount of any assistance provided with respect to any building containing rental units or any dwelling unit available for purchase by the occupant that is developed under a demonstration program shall be secured by a second mortgage held by the Secretary on the property involved.

(2) **TERMS.**—During the period ending upon repayment of the assistance as provided in this subsection, any building containing rental units that is provided assistance under this section shall be used as rental housing subject to the requirements of section 1103(c)(4). During the period ending upon repayment of the assistance as provided in this subsection, any dwelling unit made available for purchase by the occupant that is provided assistance under this section may be sold only to a family having an income not exceeding the amount specified in section 1103(c)(2).

(3) **INTEREST.**—Any assistance provided under this section for a building or dwelling unit shall bear interest at a rate equivalent to the rate for the most recently marketable obligations issued by the United States Treasury have terms of 10 years. The interest on such assistance shall be required to be repaid only upon sale of the building.

(4) **DISCOUNTED REPAYMENT.**—The assistance provided under this section for any building containing rental units or any dwelling unit available for purchase by the occupant shall be considered to have been repaid for purposes of this subsection if the original purchaser of the building or the dwelling unit pays to the Secretary an amount equal to 50 percent of the amount of the assistance provided under this section.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for providing assistance under this section.

#### **SEC. 1106. COMMUNITY DEVELOPMENT ASSISTANCE.**

(a) **IN GENERAL.**—The Secretary shall provide assistance under this section, to the extent amounts are provided in appropriation Acts under subsection (f), to units of general local government to address vital unmet needs and to promote the creation of jobs and economic development in connection with the new town demonstration programs carried out under this title.

(b) **ELIGIBLE UNITS OF GENERAL LOCAL GOVERNMENT.**—Assistance may be provided under this section only to units of general local government—

(1) within whose boundaries are located any portion of the new town demonstration areas described under the new town demonstration plans for the demonstration programs carried out under this title; and

(2) that make certifications to the Secretary that the grantee will comply with the provisions of section 105(b) of the bill, H.R. 4073, 102d Congress (as reported on March 14, 1992, by the Committee on Banking, Finance and Urban Affairs of the House of Representatives), and will comply with a residential antidisplacement and relocation assistance plan described in section 105(c)(2) of such bill.

(c) **ELIGIBLE ACTIVITIES.**—Activities assisted with amounts provided under this section may include only the following activities:

(1) **ACQUISITION OF REAL PROPERTY.**—The acquisition of real property (including air rights, water rights, and other interests therein) that is located within the new town demonstration area and is—

(A) blighted, deteriorated, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;

(B) appropriate for rehabilitation or conservation activities;

(C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;

(D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this section;

(E) to be used as a facility for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act); or

(F) to be used for other public purposes.

(2) **CONSTRUCTION OF PUBLIC WORKS AND FACILITIES.**—The acquisition, construction, rehabilitation, or installation of public works or public facilities within the new town demonstration area, including buildings for the general conduct of government and facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act).

(3) **CLEARANCE AND REHABILITATION OF BUILDINGS.**—The clearance, removal, and rehabilitation of buildings and improvements located within the new town demonstration area, including interim assistance, assistance for facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A of the Public Health Service Act), and assistance to privately owned buildings and improvements.

(4) **PROVISION OF PUBLIC SERVICES AND HOUSING.**—

(A) **PUBLIC SERVICES.**—The provision of public services within the new town demonstration area that are concerned with job training and retraining, health care and education, crime prevention, drug abuse treatment and rehabilitation, child care, education, and recreation, which may include the provision of public health and public safety vehicles.

(B) **HOUSING ACTIVITIES.**—The acquisition and rehabilitation of housing for low- and moderate-income families within the new town demonstration area, except that any grantee that uses amounts received under this section for housing activities under this subparagraph shall make not less than 15 percent of the amount used for such housing activities available only for non-profit organizations (as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act) for such activities;

(C) **LIMITATION.**—Not more than 25 percent of the amount of any assistance provided under this section (including program income) to any unit of general local government may be used for activities under this paragraph.

(5) **RELOCATION ASSISTANCE.**—Relocation payments and assistance for individuals, families, business, organizations, and farm operations that are displaced as a result of activities assisted under this title.

(6) **PAYMENT OF ADMINISTRATIVE EXPENSES.**—Payment of reasonable administrative costs associated with activities assisted under this section and any expenses of developing the new town plan under section 1102.

(d) **ALLOCATION OF ASSISTANCE.**—The Secretary may not provide more than 50 percent of any amounts appropriated under this section in connection with any one of the 2 new town demonstration programs carried out under this title.

(e) **OTHER REQUIREMENTS.**—The provisions of subsections (f), (g), and (h) of section 104, subsections (c) and (d) of section 105, section 107, 108, 109, and 110 of the bill, H.R. 4073, 102d Congress (as reported on March 14, 1992, by the Committee on Banking, Finance and Urban Affairs of the House of Representatives), shall apply to grantees receiving assistance under this section.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for fiscal year 1993 such sums as may be necessary for assistance under this section.

#### **SEC. 1107. GOVERNING BOARDS.**

(a) **PURPOSE.**—For purposes of this title, a governing board shall be a board organized for the purpose of developing a new town plan under this title and carrying out a new town development demonstration under this title.

(b) **MEMBERSHIP.**—Each governing board shall consist of not less than 10 members, who shall include—

(1) residents of the area in which the new town demonstration area under the plan developed by the board is located;

(2) owners of business in such area;

(3) leaders or participants in community groups in such area; and

(4) representatives of financial institutions located or having offices in such area.

(c) **ORGANIZATION.**—A governing board may organize itself and conduct business in the manner that the board determines is appropriate to carry out the new town development demonstration under this title.

#### **SEC. 1108. REPORTS.**

Each governing board carrying out a new town development demonstration under this title shall submit to the Congress the following information:

(1) **NEW TOWN PLAN.**—Upon approval of the new town plan of the governing board under section 1102(d), a copy of the approved plan.

(2) **ANNUAL REPORTS.**—For the 5-year period beginning upon the approval of the new town plan, annual reports for each 12-month period during such 5-year period, which shall be submitted within 3 months after the expiration of the 12-month period. Each report shall include a description of any activities during such period to carry out the demonstration program of the governing board, the use during such period of any assistance provided under this title, and any amendments under section 1102(d)(4) to the new town plan approved during such period.

#### **SEC. 1109. DEFINITIONS.**

For purposes of this title:

(1) **DEMONSTRATION PROGRAM.**—The terms "demonstration program" and "program" mean a new town development demonstration program receiving assistance under this title, which is carried out within a new town demonstration area by a governing board.

(2) **GOVERNING BOARD.**—The term "governing board" means a board established under section 1107.

(3) **NEW TOWN DEMONSTRATION AREA.**—The term "new town demonstration area" means the area defined in a new town plan in which the new town development demonstration under the plan is to be carried out.

(4) **NEW TOWN PLAN.**—The terms "new town plan" and "plan" mean a plan under section 1102 developed by a governing board.

(5) **UNIT OF GENERAL LOCAL GOVERNMENT.**—The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of the State of California.

The CHAIRMAN. No amendment to the substitute is in order except those amendments printed in House Report 102-781. Said amendments shall be considered in the order and manner specified in the report, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for a division of the question. Debate on each amendment shall be equally divided and controlled by the proponent and an opponent of the amendment.

AMENDMENT OFFERED BY MR. TORRES

Mr. TORRES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TORRES: Page 411, after line 19, insert the following new sections:



**SEC. 917. DISCLOSURE UNDER TRUTH IN LENDING IN CONNECTION WITH MORTGAGE REFINANCING.**

Section 128(b)(2) of the Truth in Lending Act (15 U.S.C. 1638(b)(2)) is amended by striking "transaction, as defined in section 103(W)," and by inserting "transaction (as defined in section 103(W)) or any case in which any such transaction is to be satisfied and superseded by a new transaction with the same consumer and a consensual security interest is created or retained against the consumer's dwelling,".

The CHAIRMAN. Pursuant to the rule, the gentleman from California [Mr. TORRES] will be recognized for 10 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 10 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment would simply require lenders to provide borrowers with a truth-in-lending disclosure for mortgage refinance transactions. This disclosure, which is currently required for first-time home mortgages, includes critical information such as the annual percentage rate, the finance charge, and the monthly payment obligation.

Each of these disclosures is important to consumers and helps make them aware of the costs associated with the mortgage. Today, when a consumer refinances a home, the lender is not required to provide a truth-in-lending disclosure statement until just before closing. For the borrower, it is often too late to realize the terms of the loan if the disclosure is given when they are sitting at the closing table.

My amendment would simply require that a borrower receive the truth-in-lending disclosure within 3 days after the application is filed with the lender, just as it is done for first-purchase mortgages. This amendment seeks merely to move up the time at which consumers would receive their credit cost disclosures in home refinance transactions.

Providing early disclosure for refinances will not be an additional burden to or require additional paperwork of lenders. Since lenders must currently provide early credit cost disclosures for home purchases, they already have procedures in place to comply with the requirements.

Mr. Chairman, I say to my colleagues this is a timely amendment. Now that mortgage interest rates are at a 20-year low, our constituents are rushing to refinance in record numbers. In fact, it is anticipated that 3 million homes will be refinanced this year. Let's give these families and individuals the up front disclosures they need to make informed decisions on what is, in most cases, the largest investment of their lives.

These are essential consumer protections. Home refinancing transactions involve virtually the same costs as the

initial home purchase. Refinancers should not be treated any differently than applicants seeking mortgages on new purchases. This is a clean, simple, consumer-friendly amendment. I urge its passage.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to oppose the Torres amendment. Although seemingly innocuous on its fact, this amendment would add another layer of regulatory burden upon financial institutions, particularly small and community banks.

I would refer to a letter from the Independent Bankers Association of America, dated August 4, in which it says:

Oppose the Torres amendment to require Truth in Lending disclosures for mortgage refinancing. Many lenders already make the necessary disclosures needed by the consumer to understand their refinancing agreement. This amendment would add unnecessary paper and processing costs to an already lengthy, paper-driven process. Community financial institutions are already breaking their backs under the yoke of regulatory and paperwork burden. Now is not the time to throw more superfluous requirements at them.

Mr. Chairman, I agree wholeheartedly with the IBAA. Ultimately, the increased regulatory burden would only result in lost credit opportunities for other consumers.

The Torres amendment requires truth-in-lending disclosures in cases of mortgage refinancing by consumers. This is an unnecessary and burdensome requirement. Most lenders, in fact, already make these disclosures available to the consumers, and RESPA already requires disclosures at the time of the refinancing application.

□ 1310

I see no consumer benefit in mandating additional requirements for the new small institutions that try to save their customers the cost of this paperwork. Consumers have adequate protections under RESPA and additional truth-in-lending disclosures would have no benefit.

Moreover, the paperwork and compliance burden placed on the banking industry is seriously affecting the ability of banks to meet the credit needs of their local communities. In the last year alone, Congress has passed over 65 major regulatory provisions affecting bank operations, many of which are not related to safety and soundness. In most cases, this regulatory burden is not shared by other financial firms.

The total cost of bank regulation is staggering—banks spend an estimated \$10.7 billion on compliance each year. This amounts to about 12 percent of the industry's operating expense and 59 percent of the industry profits last year. These are resources that otherwise could be used to support the real business of banking—making loans to

customers. For example, if only 25 percent of the dollars spent on compliance were redirected in bank capital, it could support \$20 to \$30 billion per year in additional bank lending. Stemming the tide of new regulations will not only keep banks sound but also will increase the banks' ability to support economic growth, make credit available to more borrowers, and allow banks to compete fairly with nonbank firms.

I would like to point out that last year a conference committee agreed to Mr. TORRES' truth-in-savings proposal which at the time was supposed to be equally harmless as the amendment before us today. Despite the author's good intentions, that law has become one of the major headaches facing banks today, with little apparent consumer benefit.

Finally, many in Congress pay lip service to tackling the regulatory burden Government is placing on the economy and to alleviating the credit crunch. This amendment will demonstrate how serious we are about these propositions. This amendment will bring almost no consumer benefit, but will add paperwork to the burden facing small institutions while correspondingly driving up the cost of credit to consumers.

Therefore, in closing, I would suggest that we must be cautious in further burdening our financial system, particularly small and community banks. We are already breaking the backs of financial institutions with regulatory burden and now is not the time to be heaping new requirements on them, and I urge a no vote on this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. TORRES. Mr. Chairman, I would like to just reiterate here once again, as I did in my opening statement, that there is no additional paperwork, there are no new requirements. The paperwork is already there. All we are asking for in this amendment is that the disclosure be given to the borrower at the time of application instead of the date of settlement.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. GONZALEZ], chairman of the Committee on Banking, Finance and Urban Affairs.

Mr. GONZALEZ. Mr. Chairman, this amendment, in fact, amends the Truth in Lending Act to make the disclosure provisions of that act apply to the mortgage refinancing processes. These disclosures include a disclosure of the amount financed and the terms of such financing. The disclosures must be made before credit is extended.

The bill makes a similar change when it makes the real estate settlement costs provisos in our statutes apply to second mortgages and refinancing.

I rise in strong support of this amendment for I feel that it is not only proper, but it is long overdue. We have had countless numbers of citizens calling upon us to address this issue, and I want to compliment the gentleman from California [Mr. TORRES] for doing so.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Chairman, I rise in opposition to the amendment offered by the distinguished gentleman from California. The Torres amendment would make all truth-in-lending disclosure provisions applicable to mortgage refinancing transactions.

This amendment is unnecessary for a number of important reasons. Lenders in Kentucky and in other States already make the necessary disclosures needed by consumers to understand their refinancing agreement.

This amendment would simply add additional paper and processing costs to an already lengthy process.

Community lenders in Kentucky and across the Nation would be particularly hurt by the Torres amendment. Indeed, they are already laboring under an excessive burden of paperwork associated with regulatory compliance.

Just yesterday, our House Banking Subcommittee on General Oversight and Investigations, of which I am chairman, convened a hearing on the credit crisis and regulatory burdens imposed on America's financial institutions. Bank and thrift officials, as well as our Federal regulators, agreed that there are already too many regulatory and paperwork burdens imposed under current law. One witness, whose financial institution employed 14 employees, testified that he has had to hire 3 additional people merely to take care of the new regulations and paperwork demands imposed by recent banking laws.

In our current economic climate, I think you will agree that now is not the time to add new burdens on our already overregulated financial institutions. Gathering information takes significant time, often with no discernible benefit either for the consumer or for the general safety and soundness of our financial system as a whole. The stifling effects of all of this redtape are already being felt. We don't need to add any more.

The cost of this particular proposal, I believe, far outweighs any potential benefit it may provide to the consumer. Excessive regulation only ties up resources that could have been devoted to community lending needs.

We need new jobs, not more redtape. For these reasons I urge my colleagues to vote no on the Torres amendment.

Mr. TORRES. Mr. Chairman, will the gentleman yield?

Mr. HUBBARD. I yield to the gentleman from California.

Mr. TORRES. Mr. Chairman, I would tell the gentleman from Kentucky [Mr.

HUBBARD], my good colleague, that there is no additional paperwork. This is nothing other than asking, under the amendment to have the paperwork that is already there and required to be brought up front during the process of negotiation as opposed to the end of closing.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Chairman, I rise in support of the Torres amendment. This amendment addresses an important issue that has been prevalent lately in Massachusetts. Numerous consumers in Massachusetts have lost their homes or have been faced with foreclosure procedures. The reason for these proceedings was a second mortgage or mortgage refinancing that was not done in good faith.

During these difficult and trying economic times, many consumers are forced to refinance their mortgage or take out a second mortgage. This process should not be a nightmare. And it has been for many consumers in Massachusetts.

The Torres amendment will require lenders to provide borrowers with truth-in-lending disclosures in mortgage refinancing transaction. Lenders will be required to disclose the terms of the new mortgage and this information would include information on the annual percentage rate of the loan, the finance charges imposed by the lender, and the borrower's monthly repayment obligations. Currently, for disclosures for refinancing transactions, lenders do not have to make these disclosures until closing.

We have to take steps to protect consumers who refinance their homes. I commend the work of Mr. TORRES and I believe the Torres amendment provides us with a rational solution to an unfortunate problem. I urge you to support the Torres amendment.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. McCANDLESS].

Mr. McCANDLESS. Mr. Chairman, with all due respect to the author of this amendment, I am not convinced that the amendment is not a solution in search of a problem.

The amendment will require comprehensive disclosures within 3 days after applying for a refinanced mortgage.

The disclosures will duplicate information which currently must be given to consumers prior to closing.

By requiring that the information be given within 3 days after application, much of the information will be estimates. A new set of disclosures will still be required prior to closing.

We need to remember that we don't legislate in a vacuum. If we add another layer of bureaucracy to the refinancing process, consumers will ultimately have to pay for it.

The question we need to ask is whether this amendment is really necessary.

Some have suggested that the amendment may be necessary to end what have been called settlement day ambushes, where consumers find higher settlement or financing costs than expected.

The Subcommittee on Consumer Affairs, which the gentleman from California chairs, and on which I serve as the ranking Republican, held 1 day of hearings on the broader issue of mortgage refinancing in late May.

At that time, the Federal Reserve testified that in the past 18 months they have received 3,300 complaints. Of those 3,300 complaints, only 3 dealt with the disclosure of information.

The Fed stated:

It does not appear that widespread consumer problems exist. Because a significant increase in compliance burden likely would result from enactment of the proposed amendments to the Truth in Lending Act, we believe that a clear need for additional legislation should be established before Congress acts.

That need has not been established.

More importantly, when it comes to mortgages and refinancing, the consumer has the ultimate protection.

If any transaction involves a new security interest or lien on the consumer's principal residence, the consumer has an unlimited right to rescind the transaction within 3 business days after it is consummated.

If the consumer, for any reason, elects to rescind the transaction, all fees—including application fees, appraisal fees, charges for credit reports, et cetera—must be refunded in full to the consumer within 20 days after rescission.

That right of rescission provides the consumer with more protection from settlement day ambushes than will this amendment.

This amendment has not been fully considered by any committee or subcommittee.

The author of this amendment could have brought the issue before his subcommittee for a markup.

He could have offered this amendment when the housing bill was before the Banking Committee.

Instead, we see this amendment for the first time on the floor of the House.

Mr. Chairman, although the amendment is well intended, I am not convinced that its limited benefits outweigh its costs to consumers.

Consequently, I must oppose it.

□ 1320

Mr. TORRES. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WATERS], a member of the committee.

Ms. WATERS. Mr. Chairman, I support the amendment offered by my friend and colleague the gentleman from California [Mr. TORRES]. His



amendment is proconsumer, yet it places no significant burden on financial institutions involved in mortgage lending.

Since the financing laws were written long ago, many financial arrangements, which were then infrequent, have witnessed a dramatic increase in demand.

With the tightening credit crunch and a lingering recession, homeowners are seeking out opportunities to save their homes and their families from homelessness. Refinancing home mortgages is one option that is now in high demand, especially now that interest rates are low.

Mr. Chairman, we must do everything in our power to protect homeowners who are trying to protect themselves and their families from a weak economy.

This amendment will require that financial institutions give sufficient notice to refinancing borrowers notifying them of the terms of their loans.

The amendment is fair and I strongly support its passage.

The CHAIRMAN pro tempore (Mr. KOSTMAYER). The Chair would advise that the gentleman from Ohio [Mr. WYLIE] has 1 minute remaining, and the gentleman from California [Mr. TORRES] has 3½ minutes remaining.

Mr. TORRES. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Chairman, I rise in support of this amendment to require lenders to provide borrowers with truth-in-lending disclosures in mortgage refinancing transactions. Specifically, lenders would be required to provide borrowers with disclosures concerning the terms of the new mortgage within 3 days of the application filing. Currently, lenders must make timely disclosures for an original mortgage. However, lenders may wait to just before closing for refinancing mortgages. This is unfair to the borrower who in many instances is refinancing to meet emergency needs.

This amendment would allow the consumer to know the terms of the loan, such as annual percentage rate, the finance charge, and their monthly payment obligation, before they sit down at the table for closing. Therefore, with this amendment, the consumer will be fully informed and prepared for all costs necessary to secure the mortgage.

I commend Mr. TORRES for his work on this issue and urge my colleagues to support him.

Mr. WYLIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. COX].

Mr. COX of Illinois. Mr. Chairman, I rise in opposition to the amendment which I think creates a redundancy that is already required in the law.

Mr. Chairman, I rise in opposition to the Torres amendment to require truth-in-lending disclosures for mortgage refinancing.

I want to share with my colleagues my personal experience as a private attorney practicing law in Galena, IL. I sat through many real estate closings and had the opportunity to review and explain to my clients the disclosure documents referred to in this amendment.

This amendment would not clarify the purchasing process for the borrower, but instead, would make the process of borrowing money from a financial institution even more confusing. Currently, a requirement exists to provide the borrower with full disclosure of the terms of any loan transaction at the closing. The Torres amendment would add an additional disclosure requirement within 3 days after the borrower applies for the refinancing. This is an unnecessary redundancy. It is important to keep in mind that the borrower went through this process initially at the time of the original loan. To increase multiple disclosures at the time of refinancing is absolutely unnecessary and simply fills loan files with paper.

Often, what we perceive from Washington to be helpful to the consumer only hinders transactions and passes additional costs on to the consumer. I don't believe that we are doing a service to the taxpayer by enacting such legislation.

I appreciate Chairman TORRES' continued interest in representing consumers when we consider legislation regarding the financial services industry. However, I do not believe that this amendment is the best means to achieve that end. I urge Members to oppose the Torres amendment.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I find it ironic that I am refinancing my house next week. I have checked with four different institutions, and in every single case, all I have had to do was ask for information and the information was provided.

Mr. Chairman, my biggest complaint with the amendment, and I would say to my colleague from California [Mr. TORRES], I think the gentleman has very good intentions, but I think if we look at the State of California especially, the regulations we already have on banks, all the way from construction to home loans to refinancing, the burden is killing us out there.

Mr. Chairman, in my own case, and I have a lot of friends that have recently refinanced their homes at the low interest rates, all you have to do right now is ask and they will give you any information that you desire as far as payments, what your costs are going to be, every item that they charge you for, and I think this is a burdensome paperwork drill on the banks.

Mr. Chairman, the gentlewoman from California [Ms. WATERS] said that there was no burden. Well, the gentleman from Ohio [Mr. WYLIE] just represented from the IBAA that there are burdens.

Mr. Chairman, I oppose the amendment.

Mr. TORRES. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. TORRES] is recognized for 2½ minutes.

Mr. TORRES. Mr. Chairman, I thank my colleagues today for support of this legislation. Let me say emphatically that the people that are speaking against this amendment are in fact against truth in lending.

Mr. Chairman, this is already a part of the law. Let me cite section 226.20 about disclosures.

A refinancing is a new transaction requiring new disclosures to the consumer.

Mr. Chairman, all we are asking is that this information be brought forward three days after application for a loan, as opposed to the last minutes of settlement.

The Federal Trade Commission has received numerous telephone inquiries from consumers regarding the costs of home refinancing. Many of these callers complained about the lack of information regarding financing costs until minutes before closing, and the difficulty of obtaining information from lenders on rates and points.

I congratulate the gentleman from California [Mr. CUNNINGHAM]. Perhaps as a Congressman the gentleman received expeditious treatment. The number of complaints appears to indicate a substantial concern. The Federal Trade Commission rarely receives more than a handful of complaints, but this time they are inundated. The Federal Reserve said they do not have many complaints, but we have hundreds of letters in our subcommittee. The Federal Trade Commission I have already told Members about.

Mortgage bankers testified before our committee in support of this legislation. This legislation helps the banks, but, more importantly, it helps the consumers, especially in these economic times.

Mr. Chairman, I submit once again that if Members are against this amendment, they are against truth in lending.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. TORRES. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, the gentleman indicated that this information is already required by law.

Mr. TORRES. That is correct. Mr. WYLIE. And the gentleman wants it to be required twice by law.

Mr. TORRES. Mr. Chairman, reclaiming my time, it is already required by law. This amendment asks for the information to be brought forward to the borrower when he applies for a loan as opposed to the last second when settlement takes place, when the borrower does not know the costs, the rates, and so on.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. TORRES].

The question was taken; and the Chairman announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. WYLIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 153, noes 268, answered "present" 1, not voting 12, as follows:

[Roll No. 364]

## AYES—153

Abercrombie	Flake	Olin
Ackerman	Foglietta	Oliver
Alexander	Frank (MA)	Ortiz
Anderson	Gedjenson	Owens (NY)
Andrews (ME)	Gephardt	Pallone
Andrews (NJ)	Gibbons	Panetta
Annuzio	Gilman	Pastor
Aspin	Gonzalez	Patterson
Atkins	Green	Payne (NJ)
AuCoin	Guarini	Pease
Bellenson	Hayes (IL)	Pelosi
Bennett	Hochbrueckner	Perkins
Berman	Hughes	Pickle
Blackwell	Jacobs	Rangel
Boehliert	Jefferson	Reed
Bonior	Johnson (SD)	Richardson
Borski	Jones (GA)	Rostenkowski
Boxer	Jones (NC)	Roybal
Brown	Jontz	Sabo
Bruce	Kennedy	Sanders
Bryant	Kennelly	Savage
Byron	Kildee	Sawyer
Cardin	Klecza	Scheuer
Carper	Kolter	Schroeder
Clay	Kostmayer	Schumer
Clement	Lantos	Serrano
Coleman (TX)	LaRocco	Shays
Collins (IL)	Lehman (FL)	Sikorski
Collins (MI)	Levin (MI)	Smith (FL)
Coyne	Levine (CA)	Solarz
de la Garza	Lewis (GA)	Spratt
DeFazio	Long	Stark
DeLauro	Lowey (NY)	Stokes
Dellums	Markey	Studds
Derrick	Matsui	Swift
Dicks	Mavroules	Synar
Dingell	Mazzoli	Torres
Dixon	McCloskey	Towns
Donnelly	McDermott	Trafiacant
Dooley	McHugh	Unsoeld
Downey	McMillen (MD)	Vento
Dwyer	McMune	Visclosky
Dymally	Miller (CA)	Washington
Early	Mineta	Waters
Eckart	Mink	Waxman
Edwards (CA)	Moakley	Weiss
Engel	Moody	Wheat
Evans	Mrazek	Wise
Fascell	Natcher	Wolpe
Fawell	Neal (MA)	Wyden
Fazio	Oakar	Yates

## NOES—268

Allard	Camp	Emerson
Allen	Campbell (CA)	English
Andrews (TX)	Carr	Erdreich
Anthony	Chandler	Espy
Applegate	Chapman	Ewing
Archer	Clinger	Feighan
Armey	Coble	Fields
Bacchus	Coleman (MO)	Fish
Baker	Combest	Franks (CT)
Ballenger	Condit	Frost
Barrett	Costello	Galleghy
Barton	Coughlin	Gallo
Bateman	Cox (CA)	Gaydos
Bentley	Cox (IL)	Gekas
Bereuter	Cramer	Geren
Bevill	Crane	Gilchrest
Bilbray	Cunningham	Gillmor
Bilirakis	Dannemeyer	Gingrich
Billey	Darden	Glickman
Boehner	Davis	Goodling
Boucher	DeLay	Gordon
Brewster	Doolittle	Goss
Brooks	Dorgan (ND)	Gradison
Broomfield	Dornan (CA)	Grandy
Browder	Dreier	Gunderson
Bunning	Duncan	Hall (OH)
Burton	Durbin	Hall (TX)
Bustamante	Edwards (OK)	Hamilton
Callahan	Edwards (TX)	Hammerschmidt

Hancock	McEwen	Rowland
Hansen	McGrath	Russo
Harris	McMillan (NC)	Sangmeister
Hastert	McNulty	Santorum
Hayes (IA)	Meyers	Sarpalius
Hefley	Michel	Saxton
Hefner	Miller (OH)	Schaefer
Henry	Miller (WA)	Schiff
Hergert	Molinar	Sensenbrenner
Hoagland	Mollohan	Sharp
Hobson	Montgomery	Shaw
Holloway	Moorhead	Shuster
Hopkins	Moran	Sisisky
Horn	Morella	Skaggs
Horton	Morrison	Skeen
Houghton	Murphy	Skelton
Hoyer	Murtha	Slattery
Hubbard	Myers	Slaughter
Huckaby	Nagle	Smith (IA)
Hunter	Neal (NC)	Smith (NJ)
Hutto	Nichols	Smith (OR)
Hyde	Nowak	Smith (TX)
Inhofe	Nussle	Snowe
Ireland	Oberstar	Solomon
James	Obey	Spence
Jenkins	Orton	Staggers
Johnson (CT)	Owens (UT)	Stallings
Johnson (TX)	Oxley	Stearns
Johnston	Packard	Stenholm
Kanjorski	Parker	Stump
Kaptur	Paxon	Sundquist
Kasich	Payne (VA)	Swett
Kluge	Penny	Tallon
Kolbe	Peterson (FL)	Tanner
Kopetski	Peterson (MN)	Tauzin
Kyl	Petri	Taylor (MS)
LaFalce	Pickett	Taylor (NC)
Lagomarsino	Porter	Thomas (CA)
Lancaster	Poshard	Thomas (GA)
Laughlin	Price	Thomas (WY)
Leach	Pursell	Thornton
Lehman (CA)	Quillen	Upton
Lent	Rahall	Valentine
Lewis (CA)	Ramstad	Vander Jagt
Lewis (FL)	Ravenel	Vucanovich
Lightfoot	Ray	Walker
Lipinski	Regula	Walsh
Livingston	Rhodes	Weber
Lloyd	Ridge	Weldon
Lowery (CA)	Riggs	Whitten
Luken	Rinaldo	Williams
Machtley	Ritter	Wilson
Manton	Roberts	Wolf
Marlenee	Roe	Wyllie
Martin	Roemer	Yatron
Martinez	Rogers	Young (AK)
McCandless	Rohrabacher	Young (FL)
McCollum	Ros-Lehtinen	Zelliff
McCrery	Rose	Zimmer
McCurdy	Roth	
McDade	Roukema	

## ANSWERED "PRESENT"—1

Cooper

## NOT VOTING—12

Barnard	Ford (MI)	Schulze
Campbell (CO)	Ford (TN)	Torricelli
Conyers	Hatcher	Traxler
Dickinson	Hertel	Volkmer

## □ 1347

Messrs. FEIGHAN, ROBERTS, RA-HALL, OBERSTAR, HOYER, HALL of Ohio, and BILBRAY changed their vote from "aye" to "no."

Messrs. McDERMOTT, DWYER of New Jersey, and HUGHES, and Ms. LONG changed their vote from "no" to "aye."

Mr. COOPER changed his vote from "aye" to "present."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 102-781.

For what purpose does the gentleman from Texas [Mr. GONZALEZ] rise?

## AMENDMENTS EN BLOC OFFERED BY MR.

GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. GONZALEZ:

Page 9, line 15, before the semicolon insert the following: "; except that not more than 49 percent of any amounts appropriated under this clause may be used for vouchers under section 8(o)".

Page 16, line 13, strike "8(q)(3)" and insert "8(x)".

Page 16, line 14, strike "8(q)(4)" and insert "8(i)".

Page 17, line 19, strike "8(o)" and insert "8(r)".

Page 25, line 16, strike the quotation marks and the second period.

Page 25, after line 16, insert the following: "(F)(i) For each fiscal year for which amounts are reserved or appropriated for the purposes of this paragraph, the Secretary shall establish performance goals to evaluate the effectiveness of the use of such amounts. The goals shall—

"(I) be designed to maximize the effectiveness of the expenditures in a quantifiable manner; and

"(II) describe the number of units to be redesigned, redeveloped, and reconstructed with such amounts and improvements in the management of projects so assisted to be accomplished with such amounts.

"(i) Not later than 60 days after the end of each such fiscal year, the Secretary shall submit a report to the Congress, which shall describe the performance goals established for the fiscal year, the activities carried out with such amounts, and a statement of whether the performance goals were met. If the performance goals were not met, the report shall contain—

"(I) an explanation of why the goals were not met and a description of any managerial deficiencies or legal problems that contributed to not meeting such goals;

"(II) plans and a schedule for achieving the level of performance under such performance goals;

"(III) recommendations for legislative or regulatory changes necessary to achieve the performance goals or improve performance; and

"(IV) a statement of whether the performance goals established for the fiscal year were impractical or infeasible, and, if so, the factors that contributed and resulted in establishing such impractical or infeasible goals and recommendations of actions to meet such goals, which may include changing the goals or altering or eliminating the program under this paragraph for major reconstruction of projects."

Page 30, line 6, strike "(5)" and insert "(6)".

Page 30, line 12, strike "(5)" and insert "(6)".

Page 30, after line 20, insert the following new subsection:

(e) RESERVATION OF ANNUAL CONTRIBUTIONS FOR ACTIVITIES UNDER PLAN.—Section 14(p) of the United States Housing Act of 1937 (42 U.S.C. 1437(p)) is amended—

(1) by redesignating paragraphs (3), (4), and (5) (as amended by the preceding provisions of this section) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraph:



"(3)(A) Upon the expiration of the 24-month period beginning upon the receipt of assistance under paragraph (5) by a public housing agency, the Secretary shall, after reviewing the progress made in complying with the plan, reserve from the annual contribution attributable to each unit vacant for the 24-month period an amount determined by the Secretary but not exceeding 80 percent of such contribution. The Secretary may not reserve any amounts under this subparagraph for any vacant dwelling unit that is vacant because of modernization, reconstruction, or lead-based paint reduction activities.

"(B) The Secretary shall deposit any amounts reserved under subparagraph (A) in a separate account established on behalf of the public housing agency, and such amounts shall be available to the agency only for the purpose of carrying out activities in compliance with the vacancy reduction plan of the agency.

"(C) If, after the expiration of the 24-month period beginning upon the reservation under subparagraph (A) of amounts for a public housing agency, the Secretary determines that the agency has not made significant progress to comply with the provisions of the vacancy reduction plan of the agency, the amount remaining in the account for the agency established under subparagraph (B) shall be recaptured by the Secretary."

Page 30, line 21, strike "(e)" and insert "(f)".

Page 31, line 9, before "Section" insert "(a) COORDINATION WITH TENANTS."

Page 31, after line 12, insert the following new subsection:

(b) REPLACEMENT PLAN.—Section 18(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437p(b)(3)) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by inserting before the semicolon at the end the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under section 8 having a term of not less than 5 years";

(B) in clause (iii), by inserting before the semicolon at the end the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under other Federal programs having a term of not less than 5 years";

(C) in clause (v), by inserting before the semicolon the following: "to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of tenant-based assistance under section 8 (excluding vouchers under section 8(o)) having a term of not less than 5 years"; and

(D) in clause (vi), by inserting ", as determined by the agency" before the semicolon at the end;

(2) by redesignating subparagraphs (B) through (G) as subparagraphs (C) through (H), respectively; and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) in the case of an application proposing demolition or disposition of 200 or more units, shall provide that (notwithstanding the limitation under section 8(d)(2)(A) on the amount of project-based assistance provided by an agency)—

"(i) not less than 50 percent of such additional dwelling units shall be provided

through the acquisition or development of additional public housing dwelling units or through project-based assistance; and

"(ii) not more than 50 percent of such additional dwelling units shall be provided through tenant-based assistance under section 8 (excluding vouchers under section 8(o)) having a term of not less than 5 years";

Page 32, after line 20, insert the following new subsection:

(c) TRANSFER OF MANAGEMENT BY RESIDENTS.—Section 20 of the United States Housing Act of 1937 (42 U.S.C. 1437r) is amended—

(1) by striking the section heading and inserting the following new heading:

"PUBLIC HOUSING RESIDENT MANAGEMENT AND TRANSFER OF MANAGEMENT BY RESIDENTS";

(2) in subsection (a), by striking "The purpose" and all that follows through "Residents by—" and inserting the following: "The purpose of this section is to encourage choice in management of troubled public housing projects by residents and increased resident management of public housing projects, as a means of improving living conditions in public housing projects, by providing for resident councils and resident management corporations to transfer the management of troubled projects to alternative managers and by providing increased flexibility for public housing projects that are managed by residents by—";

(3) in subsection (b)—

(A) in paragraph (1), by inserting "REQUIREMENTS FOR RESIDENT MANAGEMENT" after "RESIDENT COUNCIL";

(B) in paragraph (2)—

(i) by inserting "(A) in the case of council establishing a resident management corporation," after "specialist"; and

(ii) by inserting before the period at the end the following: ", or (B) in the case of a council seeking to transfer management of a troubled public housing project under this section, to assist in identifying and acquiring a capable manager for the project";

(C) in paragraph (3), by inserting "or manager" after "resident management corporation" each place it appears;

(D) in the first sentence of paragraph (4)—

(i) by inserting "or manager" after "corporation" each place it appears; and

(ii) by inserting before "establishing" the following: "(and, in the case of a manager, with the Secretary)";

(E) in paragraph (5), by inserting "or manager" after "corporation";

(F) by redesignating paragraphs (2) through (5) (as amended by this paragraph) as paragraphs (3) through (6), respectively; and

(G) by inserting after paragraph (1) the following new paragraph:

"(2) REQUIREMENTS FOR TRANSFER OF MANAGEMENT OF TROUBLED PROJECTS BY RESIDENTS.—

"(A) AUTHORITY.—The elected resident council for a troubled public housing project (as established by the approval of a majority of the households of the specific troubled public housing project) or the resident management corporation for such a project may apply to the Secretary to transfer the management of the troubled public housing project from the troubled public housing agency or resident management corporation to an alternative manager, and the Secretary may transfer such management pursuant to such an application. An application for such transfer may be submitted only if a majority of the members of the board of the resident council or resident management corporation has voted in favor of the trans-

ferring management responsibilities, and a majority of the residents of the troubled public housing project to be transferred has also voted in favor of the transfer in an election supervised by a disinterested third party.

"(B) APPLICATION.—

"(i) IN GENERAL.—The Secretary shall provide for resident councils and resident management corporations to submit applications for transfer of management of troubled public housing projects under this section. The Secretary shall establish the form and procedures for such applications in accordance with the requirements of this subparagraph.

"(ii) PHA COMMENT.—The public housing agency that owns or operates the troubled public housing project involved shall have a reasonable opportunity to submit to the Secretary any comments regarding the application, as the Secretary shall prescribe, and may present to the resident council or resident management corporation a proposal for the management of the housing by the agency. The resident council or resident management corporation shall give reasonable consideration to any such proposal.

"(iii) CONTENTS.—Each application shall contain—

"(I) a description of the resident council or resident management corporation and documentation of its authority;

"(II) documentation of the votes required under subparagraph (A);

"(III) a description of the proposed manager and documentation of the capacity of the proposed manager to manage the troubled public housing project;

"(IV) a management plan describing how the manager will carry out the responsibilities for managing the troubled public housing project;

"(V) a detailed plan for the use of any rehabilitation funding under this Act for the troubled public housing project and for the use of any modernization funding for the project received during the ensuing 5 years pursuant to subsection (c);

"(VI) documentation identifying the project for which the application is submitted, and identifying the project as a troubled public housing project;

"(VII) documentation of compliance with the requirements under clause (ii); and

"(VIII) any other information that the Secretary considers appropriate.

"(iv) REVIEW AND APPROVAL BY SECRETARY.—The Secretary may approve any application under this subparagraph that meets the requirements under this paragraph.

"(C) CONTRACT.—In addition to other contract provisions required under this section, a contract under paragraph (5) between the resident council or resident management corporation, the Secretary, and the public housing agency for transfer of management of a troubled public housing project shall—

"(i) provide for the manager to receive operating subsidies for the troubled public housing project pursuant to subsection (e) that would otherwise be provided to the public housing agency or resident management corporation;

"(ii) provide for modernization funding for the project under subsection (c); and

"(iii) require the manager to carry out, for the troubled public housing project, all management responsibilities applicable to public housing agencies owning or operating public housing projects, including (I) maintaining the units in decent, safe, and sanitary condition in accordance with any standards for public housing established or adopted by the

Secretary, (II) determining eligibility of applicants for occupancy of units subject to the requirements of this Act, (III) selecting tenants for occupancy of units subject to the requirements and preferences under this Act, (IV) determining the amount of rent paid for units in accordance with this Act, and (V) terminating tenancies in accordance with the requirements of this Act.

"(D) EXTENSION AND EXPIRATION OF CONTRACTS.—The Secretary shall provide for a resident council or resident management corporation that has entered into a contract under this paragraph to (i) approve the renewal of such contract, subject to the approval of the Secretary and the manager, or (ii) disapprove renewal and submit an application to the Secretary in accordance with subparagraph (B) proposing another manager, which may be the public housing agency.

"(E) DEFAULT.—If the Secretary determines that a manager is in default of its responsibilities under the contract, the Secretary may require the resident council or resident management corporation to submit an application proposing a different manager, which may be the public housing agency.

"(F) LIABILITY.—With respect to any troubled public housing project for which management has been transferred under this paragraph, the public housing agency shall not be liable for any act or failure to act by the manager, resident council, or resident management corporation.

"(G) PROHIBITION ON DISPLACEMENT BEFORE TRANSFER.—The public housing agency that owns or operates a troubled public housing project for which an application under this paragraph has been submitted may not involuntarily displace (as determined by the Secretary) any resident of the project during the period beginning upon submission of the application and ending upon the transfer of management of the project or the date of disapproval of the application.

"(H) MONITORING.—The Secretary shall monitor the performance of managers under this section and shall assess their management performance using the performance indicators established under section 6(j)(1).

"(I) REPORTS BY MANAGERS.—The Secretary shall require each manager managing a troubled public housing project pursuant to this section to submit to the Secretary reports as the Secretary considers appropriate, which shall include an annual financial audit."

(4) in subsection (c)—

(A) by striking "COMPREHENSIVE IMPROVEMENT ASSISTANCE" and inserting "MODERNIZATION ASSISTANCE";

(B) by striking "comprehensive improvement assistance" and inserting "modernization assistance"; and

(C) by inserting after the period at the end the following new sentence "Any modernization assistance under section 14 for a troubled public housing project for which management has been transferred under this section shall be provided to the manager of the project."

(5) in subsection (d)—

(A) in paragraph (1)—

(i) by inserting "managing a project or any manager," after "corporation" the first place it appears; and

(ii) by inserting "or manager," after "corporation" the second place it appears; and

(B) in paragraph (2), by inserting "managing a project, or any resident council or resident management corporation that has transferred management of a project" before the first comma;

(6) in subsection (e)—

(A) in paragraph (1), by inserting "or manager" after "corporation";

(B) in paragraph (2)—

(i) by inserting "under this section" after "Any contract"; and

(ii) by striking "entered into by a public housing agency and a resident management corporation" and inserting "by a resident management corporation, or for management of a troubled public housing project by a manager,";

(C) in paragraph (3)—

(i) in subparagraph (A)—

(I) by inserting "or manager" after "corporation" the first place it appears;

(II) by striking "date of the enactment of the Housing and Community Development Act of 1987 or on any later"; and

(III) by inserting "or on which management of the project is transferred to the manager, as applicable" before the period at the end; and

(ii) in subparagraph (B), by inserting "or manager" after "corporation" each place it appears; and

(D) in paragraph (4), by inserting "or manager" after "corporation" each place it appears; and

(7) by striking subsection (g) and inserting the following new subsection:

"(g) DEFINITIONS.—For purposes of this section:

"(1) The term 'manager' means an entity that

"(A) is—

"(i) a public or private nonprofit organization (including, as determined by the Secretary, such an organization sponsored by the public housing agency);

"(ii) a for-profit entity;

"(iii) a public body, including an agency of instrumentality thereof;

"(iv) a public housing agency (not including the public housing agency that owns or operated the project); or

"(v) any other entity approved by the Secretary (not including a resident council); and

"(B) that has entered into a contract under this section with the Secretary for the management of a troubled public housing project.

"(2) The term 'private nonprofit organization' means any private organization (including a State or locally chartered nonprofit organization) that—

"(A) is incorporated under State or local law;

"(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

"(C) complies with standards of financial accountability acceptable to the Secretary; and

"(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

The term includes resident management corporations.

"(3) The term 'public nonprofit organization' means any public nonprofit entity, except the public housing agency that owns the eligible housing.

"(4) The term 'troubled public housing project' means a public housing project (as such term is defined in subsection (a)) that is owned or operated by a public housing agency (not including an Indian housing authority) with 250 or more units that has been designated as a troubled public housing agency for the current Federal fiscal year and for the 2 preceding Federal fiscal years under section 6(j)(2)(A)(i)."

Page 40, strike line 19 and all that follows through line 22 on page 93, and insert the following new section:

#### SEC. 141. AMENDMENTS TO SECTION 8 RENTAL ASSISTANCE PROGRAM.

(a) PREFERENCES FOR VETERANS WITH DISABILITIES THAT PREVENT USE OF THE HOME.—

(1) CERTIFICATES.—Section 8(d)(1)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)(i)) is amended by inserting after "homeless families" the following: ", and including veterans who are eligible and have applied for such assistance, who will use such assistance for a dwelling unit designed for the handicapped, and who, upon discharge or eligibility for discharge of the veteran from a hospital or nursing home, have a physical disability which, because of the configuration of the veteran's home, prevents the veteran from access to or use of such home".

(2) VOUCHERS.—The first sentence of section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended by inserting after "homeless families" the following: ", and including veterans who are eligible and have applied for such assistance, who will use such assistance for a dwelling unit designed for the handicapped, and who, upon discharge or eligibility for discharge of the veteran from a hospital or nursing home, have a physical disability which, because of the configuration of the veteran's home, prevents the veteran from access to or use of such home".

(b) TERMINATION OF TENANCY FOR CRIMINAL ACTIVITY.—Section 8(d)(1)(B)(iii) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(B)(iii)) is amended—

(1) by inserting ", any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises," before "or any drug-related"; and

(2) by striking "public housing tenant" and inserting "tenant of any unit".

(c) MAINTENANCE AND REPLACEMENT.—Section 8(d)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)) is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) by redesignating subparagraph (D) as subparagraph (F); and

(3) by inserting after subparagraph (C) the following new subparagraphs:

"(D) If the agency (or the Secretary) determines that a unit assisted under this section fails to comply in any material respect with standards for housing quality for units so assisted, the agency (or the Secretary) may withhold some or all of the assistance amounts under this section with respect to such unit and promptly—

"(i) use such amounts to make necessary repairs or contract to have such repairs made;

"(ii) release any withheld amounts to the owner after repairs are made by the owner, in an amount not exceeding the cost of the repairs;

"(iii) release any withheld amounts to the applicable State or local housing agency after repairs are made by such agency, in an amount not exceeding the cost of the repairs; or

"(iv) upon the request of the tenant, release any withheld amounts to (I) the tenant to reimburse the tenant for the reasonable cost of any necessary repairs performed or paid for by the tenant, or (II) such person secured by the tenant and approved by the agency (or the Secretary) to make such necessary repairs;



"(E) if an agency (or the Secretary) withholds any assistance amounts pursuant to subparagraph (D), the agency (or the Secretary) may not terminate the assistance contract unless and until the tenant has relocated to decent, safe, and sanitary housing; and".

**(d) PORTABILITY.**—

(1) **IN GENERAL.**—Section 8(r) of the United States Housing Act of 1937 (42 U.S.C. 1437(r)) is amended to read as follows:

**"(r) PORTABILITY OF ASSISTANCE.**—

"(1) **AUTHORITY.**—Except as provided in paragraph (2), any family on behalf of whom is provided tenant-based rental assistance under this section and who moves to an eligible dwelling unit located within the same State, or the same or a contiguous metropolitan statistical area as the metropolitan statistical area served by the public housing agency providing the assistance on behalf of the family shall be provided with tenant-based assistance for rental of the new dwelling unit, to the extent amounts are available pursuant to this subsection.

**"(2) LOCAL OPTIONS TO ENSURE MINIMUM AREA RESIDENCY.**—

"(A) **SMALL PHA'S.**—Any public housing agency that provides tenant-based rental assistance under this section on behalf of less than 300 families in a year may, at the discretion of the agency, prohibit any family from using tenant-based assistance to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance unless, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency.

"(B) **LARGE PHA'S.**—Any public housing agency that provides tenant-based rental assistance on behalf of 300 or more families in a year may, at the discretion of the agency, prohibit families from using tenant-based rental assistance to rent an eligible dwelling unit that is not located within the area of jurisdiction of the agency approving the assistance unless, before such use, the family has rented and occupied an eligible dwelling unit within such jurisdiction for not less than 12 consecutive months using assistance provided by such agency; except that the agency may not restrict the use of such assistance with respect to assistance provided on behalf of 10 percent of the number of families receiving such assistance that exceeds 300.

"(3) **PROVISION OF ASSISTANCE BY PHA IN NEW LOCATION.**—Except as provided under paragraphs (4) and (5), the public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall provide assistance under this section on behalf of the family from amounts provided to the agency for assistance under this section.

"(4) **PROVISION OF ASSISTANCE BY ORIGINAL PHA.**—If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance for the family and the dwelling from which the family moved shall provide assistance under this section on behalf of such family with respect to the new dwelling unit of the family.

"(5) **PROVISION OF ASSISTANCE FROM HEAD-QUARTERS RESERVE.**—If, in any fiscal year, the amount of assistance provided pursuant to paragraph (3) by any public housing agency on behalf of families who have moved into dwelling units located within the area of jurisdiction of the agency exceeds the lesser of (i) 5 percent of the total amount received by

the agency for assistance under this section for the fiscal year, or (ii) the amount necessary to assist 25 percent of the average annual number of families previously assisted by the agency who relinquish assistance in a year (based on the preceding 3 calendar years), then the assistance provided under this section on behalf of a family shall be provided from amounts for assistance under this section reserved under section 213(d)(4) of the Housing and Community Development Act of 1974, to the extent such amounts are available."

(2) **RESERVATION OF AMOUNTS UNDER HEAD-QUARTERS RESERVE.**—Section 213(d)(4)(A) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)(A)) is amended—

(A) by inserting after the period at the end of the first sentence the following new sentence: "In addition to any financial assistance for the rental housing assistance program under section 8 of the United States Housing Act of 1937 that is reserved pursuant to the preceding sentence, the Secretary shall retain an additional 5 percent of the financial assistance that becomes available under such program during any fiscal year and such additional amount may be used only for the purpose under clause (v) of this subparagraph.";

(B) in clause (iii), by striking "and" at the end;

(C) in clause (iv), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following new clause:

"(v) in the case of financial assistance under the rental housing assistance program under section 8 of the United States Housing Act of 1937, providing assistance pursuant to section 8(r)(5) of such Act."

(e) **DEFINITIONS.**—Section 8(f) of the United States Housing Act of 1937 (42 U.S.C. 1437(f)) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) the term 'project-based assistance' means rental assistance under subsection (b) that is attached to the structure pursuant to subsection (d)(2); and

"(7) the term 'tenant-based assistance' means rental assistance under subsection (b) or (c) that is not project-based assistance."

Page 91, strike line 22 and all that follows through line 16 on page 92.

Page 92, line 17, strike "(c)" and insert "(b)".

Page 93, line 11, strike "(d)" and insert "(c)".

Page 98, after line 19, insert the following new subsection:

(b) **FISCAL YEAR 1993 SET-ASIDES.**—Section 5130(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11909(b)) is amended—

(1) by striking "SET-ASIDE FOR ASSISTED HOUSING" and inserting "SET-ASIDES"; and

(2) by inserting after the period at the end of the following new sentence: "Notwithstanding any other provision of law, of any amounts appropriated for drug elimination grants under this chapter for fiscal year 1993, not more than 6.25 percent shall be available for grants for federally assisted low-income housing and 0.5 percent shall be available for public housing youth sports program grants under section 520 of the Cranston-Gonzalez National Affordable Housing Act."

Page 98, line 20, strike "(b)" and insert "(c)".

Page 99, line 5, strike "(c)" and insert "(d)".

Page 105, after line 5, insert the following new subsections:

(d) **ELIGIBILITY FOR COUNSELING ASSISTANCE UNDER HOUSING AND URBAN DEVELOPMENT ACT OF 1968 AND CERTIFICATION AND TRAINING PROGRAM.**—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended by adding at the end the following new subsections:

**"(e) CERTIFICATION.**—

"(1) **REQUIREMENT FOR ASSISTANCE.**—An organization may not receive assistance for counseling activities under subsection (a)(1)(iii), (a)(2), (c), or (d), unless the organization provides such counseling only by individuals who have been certified by the Secretary under this subsection as competent to provide such counseling.

"(2) **STANDARDS AND EXAMINATION.**—The Secretary shall, by regulation, establish standards and procedures for testing and certifying counselors. Such standards and procedures shall require for certification that individual shall demonstrate, by written examination (as provided under subsection (f)(4)), competence to provide counseling in each of the following areas:

"(A) Financial management.

"(B) Property maintenance.

"(C) Responsibilities of homeownership and tenancy.

"(D) Fair housing laws and requirements.

"(E) Housing affordability.

"(F) Avoidance of, and responses to, rental and mortgage delinquency and avoidance of eviction and mortgage default.

"(3) **ENCOURAGEMENT.**—The Secretary shall encourage organizations engaged in providing homeownership and rental counseling that do not receive assistance under this section to employ individuals to provide such counseling who are certified under this subsection or meet the certification standards established under this subsection.

"(f) **HOMEOWNERSHIP AND RENTAL COUNSELOR TRAINING AND CERTIFICATION PROGRAMS.**—

"(1) **ESTABLISHMENT.**—To the extent amounts are provided in appropriations Acts under paragraph (7), the Secretary shall contract with a single appropriate private entity (which may be a nonprofit organization) to carry out a program under this subsection to train individuals to provide homeownership and rental counseling and to administer the examination under subsection (e)(2) and certify individuals under such subsection.

**"(2) ELIGIBILITY AND SELECTION.**—

"(A) **ELIGIBILITY.**—To be eligible to provide the training and certification program under this subsection, an entity shall have been continuously engaged in training and certifying homeownership and rental counselors on a national basis for at least the 10-year period ending upon application under subparagraph (B).

"(B) **SELECTION.**—The Secretary shall provide for private entities meeting the requirements of subparagraph (A) to submit applications to provide the training and certification program under this subsection. The Secretary shall select an application based on the ability of the entity to—

"(i) establish the program as soon as possible on a national basis, but not later than the date under paragraph (6);

"(ii) minimize the costs involved in establishing the program; and

"(iii) effectively and efficiently carry out the program.

"(3) **TRAINING.**—The Secretary shall require that training of counselors under the

program under this subsection be designed and coordinated to prepare individuals for successful completion of the examination for certification under subsection (e)(2). The Secretary, in consultation with the private entity selected under paragraph (2)(B), shall establish the curriculum and standards for training counselors under the program.

"(4) CERTIFICATION.—The private entity selected under paragraph (2)(B) shall administer the examination under subsection (e)(2) and, on behalf of the Secretary, certify individuals successfully completing the examination. The Secretary, in consultation with such private entity, shall establish the content and format of the examination.

"(5) FEES.—The private entity selected under paragraph (2)(B) may establish and impose fees for participation in the training provided under the program and for examination and certification under subsection (e)(2). The amount of any fees shall be sufficient to cover any costs of such activities not covered with amounts provided under paragraph (7).

"(6) TIMING.—The private entity selected under paragraph (2)(B) to carry out the training and certification program shall establish the program as soon as possible after such selection, and shall make training and certification available under the program on a national basis not later than the expiration of the 1-year period beginning upon such selection.

"(7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$2,000,000 for fiscal year 1993."

(e) ELIGIBILITY FOR COUNSELING ASSISTANCE UNDER SPECIAL MORTGAGE INSURANCE PROGRAM.—Section 237(e) of the National Housing Act (12 U.S.C. 1715z-2(e)) is amended by inserting after the period at the end of the first sentence the following new sentence: "An organization may not receive amounts made available under subsection (g) unless the organization provides counseling services under this subsection only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(f) APPLICABILITY OF CERTIFICATION AND TRAINING REQUIREMENTS.—

(1) FAMILY SELF-SUFFICIENCY PROGRAM.—Section 23(c)(4) of the United States Housing Act of 1937 (42 U.S.C. 1437u(c)(4)) is amended by inserting after the period at the end of the following new sentence: "Any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(2) HOPE FOR PUBLIC AND INDIAN HOUSING HOMEOWNERSHIP.—

(A) PLANNING GRANTS.—Section 302(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa-1(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(B) IMPLEMENTATION GRANTS.—Section 303(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa-2(b)(6)) is amended by inserting before the semicolon at the end the following: "which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(3) HOPE FOR HOMEOWNERSHIP OF MULTI-FAMILY UNITS.—

(A) PLANNING GRANTS.—Section 422(b)(5) of the Cranston-Gonzalez National Affordable

Housing Act (42 U.S.C. 12872(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(B) IMPLEMENTATION GRANTS.—Section 423(b)(6) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12873(b)(6)) is amended by inserting before the semicolon at the end the following: "which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(4) HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES.—

(A) PLANNING GRANTS.—Section 442(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12892(b)(5)) is amended by inserting before the semicolon at the end the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(B) IMPLEMENTATION GRANTS.—Section 443(b)(5) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12893(b)(5)) is amended by inserting before the semicolon at the end the following: "which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(5) COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126(c)(3)(A)(ii) of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note) is amended by inserting before the period at the end the following: "which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(6) MIXED INCOME NEW COMMUNITIES STRATEGY DEMONSTRATION.—Section 522(h)(8) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended by inserting before the period at the end the following: "except that any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(7) LOW-INCOME HOUSING PRESERVATION AND RESIDENT HOMEOWNERSHIP ACT OF 1990.—Section 220(d)(2)(G) of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4110(d)(2)(G)) is amended by inserting after "counseling and training" the following: "(which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968)".

(8) HOME INVESTMENT PARTNERSHIPS ACT.—

(A) HOUSING EDUCATION SUPPORT.—Section 233(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12773(b)(2)) is amended by inserting after the period at the end the following new sentence: "Any such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(B) SECOND MORTGAGE ASSISTANCE FOR FIRST-TIME HOMEBUYERS.—Section 258(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12808(b)) is amended by inserting after paragraph (5) the following new flush sentence:

"Counseling under this subsection may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(9) NATIONAL HOUSING ACT.—

(A) SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.—

(i) LOSS REDUCTION.—Section 203(r)(4) of the National Housing Act (12 U.S.C. 1709(r)(4)) is amended by inserting before the period at the end the following: "except that such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(ii) PAYMENT OF INSURANCE.—The first sentence of section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended in clause (1)(B)(iii) by inserting after "homeownership counseling" the following: "(which may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968)".

(B) TEMPORARY MORTGAGE ASSISTANCE PAYMENTS AND ASSIGNMENT OF MORTGAGES.—Section 230(d) of the National Housing Act (12 U.S.C. 1715u(d)) is amended by inserting after the period at the end the following new sentence: "Such counseling may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(C) SPECIAL MORTGAGE INSURANCE ASSISTANCE.—Section 237 of the National Housing Act (12 U.S.C. 1715z-2) is amended—

(i) in subsection (c)(3), by inserting before "Provided," the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968"; and

(ii) in the second sentence of subsection (e), by inserting after "counseling" the following: "provided by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(D) SINGLE FAMILY MORTGAGE INSURANCE ON INDIAN RESERVATIONS.—Section 248(g)(1) of the National Housing Act (12 U.S.C. 1715z-13(g)(1)) is amended by inserting after the period at the end the following new sentence: "Counseling required under this paragraph may be provided only by counselors certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(E) HOME EQUITY CONVERSION MORTGAGES.—The first sentence of section 255(f) of the National Housing Act (12 U.S.C. 1715z-20(f)) is amended by inserting after "lender" the following: "who are certified in accordance with section 106(e)(2) of the Housing and Urban Development Act of 1968."

(10) APPLICABILITY.—The amendments made by this subsection shall apply only after the expiration of the 18-month period beginning on the date that the Secretary of Housing and Urban Development selects a private entity to provide the homeownership and rental counselor training and certification program under section 106(f) of the Housing and Urban Development Act of 1968 (as added by subsection (d) of this section).

(g) REGULATIONS.—The Secretary of Housing and Urban Development shall issue any regulations necessary to carry out the amendments made by subsections (d), (e), and (f) of this section not later than the expiration of the 6-month period beginning on the date of the enactment of this Act.

Page 162, line 4, strike "as amended by section 141(a) of this Act, is further" and insert "is".

Page 162, line 7, strike "(u)" and insert "(y)".

Page 163, lines 19 and 20, strike "rent for the area established under subsection (f)" and insert "rental for the area established under subsection (c)(1)".

Page 165, strike lines 17 and 18 and insert the following:



"(A) Subsection (c)(3)(B) of this section.  
 "(B) Subsection (d)(1)(B)(i) of this section.  
 Page 167, line 18, insert " " after the period.

Page 167, strike lines 19 through 22.  
 Page 168, line 6, strike "(u)" and insert "(y)".  
 Page 169, line 5, strike "(u)" and insert "(y)".

Page 170, strike lines 1 through 7 and insert the following new paragraph:

(4) CONFORMING AMENDMENT.—The third sentence of section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)) is amended by inserting "(or (y) or paying rent under section 8(c)(3)(B)" after "section 8(o)".

Page 180, strike lines 6 through 11.  
 Page 180, line 12, strike "(iv)" and insert "(iii)".

Page 180, line 15, strike the period and insert "; and".

Page 180, after line 15, insert the following:  
 "(iv) the housing complies with the requirements under subparagraphs (D), (E), and (F) of paragraph (1)."

Page 182, line 22, strike "10 percent" and insert "20 percent".

Page 240, line 19, before the first period insert the following new sentence: "If an operating loss loan was insured by the Secretary pursuant to this subsection before the date of the enactment of the Housing and Community Development Act of 1992 and was reduced solely to reflect the amount placed in escrow for initial operating deficits, the Secretary shall insure, to the extent of the availability of insurance authority provided in appropriation Acts, an increase in the existing loan or a separate loan, in an amount equal to the lesser of (A) the maximum amount permitted under this subsection and the applicable underwriting requirements established by the Secretary and in effect at the time the loan is to be made, or (B) the amount of the escrow for initial operating deficits."

Page 255, after line 9, insert the following new subtitle:

#### **Subtitle C—Improvement of Financing for Multifamily Housing**

##### **SEC. 541. SHORT TITLE.**

This subtitle may be cited as the "Multifamily Housing Finance Improvement Act".

##### **SEC. 542. REINSURANCE PILOT PROGRAM.**

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall carry out a pilot program through the Federal Housing Administration to provide reinsurance of risks related to mortgages on multifamily housing.

(b) PURPOSES.—The purposes of the pilot program are—

(1) to encourage the development of strong primary and secondary markets for prudent multifamily housing mortgage lending sufficient to meet the growing need for such lending in the United States;

(2) to refine methods through which the Federal Housing Administration may work with the financial institutions to enhance multifamily housing mortgage credit efficiently;

(3) to improve the supply of prudent multifamily housing mortgage lending, particularly in underserved markets; and

(4) to develop systems to achieve such purposes while significantly increasing the efficiency of the Federal Housing Administration and significantly reducing exposure of the Federal Government to risk of loss.

(c) AUTHORITY FOR REINSURANCE AGREEMENTS.—The Secretary may enter into reinsurance agreements (as such term is defined

in section 544) with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified financial institutions, qualified housing finance agencies, and the Federal Housing Finance Board. The agreements may provide for risk-sharing and other forms of credit enhancement with respect to mortgage lending on multifamily housing, including reinsurance with respect to pools of loans on multifamily housing properties, that the Secretary determines to be appropriate to carry out the purposes of this section. The agreements shall be in a form and have such terms and conditions as the Secretary determines to be appropriate to carry out the purposes of this section.

(d) DEVELOPMENT OF ALTERNATIVES.—The Secretary shall develop and assess a variety of reinsurance alternatives, including arrangements under which the Secretary assumes an appropriate share of the risk related to long-term mortgage loans on newly constructed or acquired multifamily rental housing, mortgage refinancings, bridge financing for construction, and other forms of multifamily housing mortgage lending that the Secretary deems appropriate to carry out the purposes of this section. Such alternatives shall be designed—

(1) to ensure that other parties bear a share of the risk, in percentage amount and in position of exposure, that is sufficient to create strong, market-oriented incentives for other participating parties to maintain sound underwriting and loan management practices;

(2) to develop credit mechanisms, including sound underwriting criteria, processing methods, and credit enhancements, through which resources of the Federal Housing Administration can assist in increasing multifamily housing lending as needed to meet the expected need in the United States;

(3) to provide a more adequate supply of mortgage credit for sound multifamily rental housing projects in underserved urban and rural markets;

(4) to encourage major financial institutions to expand their participation in mortgage lending for sound multifamily housing, through means such as mitigating uncertainties regarding actions of the Federal Government (including the possible failure to renew short-term subsidy contracts);

(5) to increase the efficiency, and lower the costs to the Federal Government, of processing and servicing multifamily housing mortgage loans insured by the Federal Housing Administration; and

(6) to improve the quality and expertise of Federal Housing Administration staff and other resources, as required for sound management of reinsurance and other market-oriented forms of credit enhancement.

(e) ELIGIBILITY STANDARDS.—

(1) IN GENERAL.—The Secretary shall establish and enforce standards for financial institutions and entities to be eligible to enter into reinsurance agreements under this section, as the Secretary determines to be appropriate.

(2) QUALIFIED HOUSING FINANCE AGENCIES.—In the case of qualified housing finance agencies, such standards shall be designed to accommodate the distinctive financial and institutional characteristics of such agency and shall require evidence of the capacity of such agency to fulfill any reimbursement obligations made pursuant to this section. Evidence of such capacity may include—

(A) a pledge of the full faith and credit of a qualified State or local agency to fulfill any obligations entered into by the qualified housing finance agency;

(B) reserves pledged or otherwise restricted by the qualified housing finance agency in an amount equal to a percentage of the loss assumed by the housing finance agency agreed to by the agency and the Secretary;

(C) funds pledged through a State or local guarantee fund; or

(D) any other evidence of such capacity mutually agreed to by the Secretary and the qualified housing finance agency.

(f) FEES.—The Secretary shall establish and collect premiums and fees for reinsurance under this section as the Secretary determines appropriate to (1) achieve the purpose of this section, and (2) compensate the Federal Housing Administration for the risks assumed and related administrative costs.

(g) NON-FEDERAL PARTICIPATION.—

(1) REQUIREMENT.—The Secretary shall carry out this section, to the maximum extent practicable, with the participation of well-established residential mortgage originators, financial institutions that invest in multifamily housing mortgages, multifamily housing sponsors, and such other private sector experts in multifamily housing finance as the Secretary determines to be appropriate.

(2) SPECIFIC PILOT PROGRAM.—The Secretary shall carry out a specific pilot program under this section in conjunction with qualified housing finance agencies, to test the effectiveness of Federal credit enhancement for multifamily housing loans through a system of risk-sharing agreements with such agencies. Such pilot program shall accommodate the distinctive financial and institutional characteristics of qualified housing finance agencies and may allow a qualified housing finance agency to use its own underwriting standards and loan terms and conditions for purposes of underwriting loans.

(3) COORDINATION WITH ACCOUNTING FIRM.—To the extent amounts are available for carrying out this section, the Secretary may enter into a contract with a nationally-recognized, independent accounting firm with demonstrated expertise in mortgage insurance to assist in designing and assessing alternatives developed under the pilot program under this section. Such contract shall require the accounting firm to identify and assess problems in the structure, design, and management of previous reinsurance programs of the Federal Housing Administration and to recommend actions and policies to ensure that such problems are corrected in designing reinsurance alternatives under this section.

(h) TIMING.—The Secretary shall take any administrative actions necessary to initiate the pilot program under this section not later than the expiration of the 8-month period beginning on the date of the enactment of this Act.

(i) INDEPENDENT STUDIES AND REPORTS.—

(1) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—The Federal National Mortgage Association, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

(2) FEDERAL HOME LOAN MORTGAGE CORPORATION.—The Federal Home Loan Mort-

gage Corporation, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

(3) SECRETARY.—The Secretary shall submit to the Congress, and publish, reports under this paragraph assessing the activities carried out under the pilot program. The Secretary shall submit and publish a preliminary report under this paragraph not later than 18 months after the date of the enactment of this Act, and a final report not later than 26 months after the date on which the pilot program is initiated, which shall include any recommendations by the Secretary for legislative changes to achieve the purposes of this section.

(4) COMPTROLLER GENERAL.—The Comptroller General of the United States shall carry out an evaluation of the pilot program under this section and shall submit to the Congress, not later than 30 months after the date on which the pilot program is initiated, a report regarding the evaluation, together with any recommendations for legislative changes to achieve the purposes of this section. The Comptroller General shall also submit to the Congress a report containing a preliminary assessment of the pilot program not later than 18 months after the date of enactment of this Act.

(5) FEDERAL HOUSING FINANCE BOARD.—The Federal Housing Finance Board shall monitor and assess the activities carried out under the pilot program under this section. The Federal Housing Finance Board shall submit a preliminary report containing any findings regarding such activities not later than 18 months after the date of the enactment of this Act, and a final report containing such findings not later than 26 months after the date on which the pilot program is initiated, which shall include any recommendations by the Board for legislative changes to achieve the purposes of this section.

(J) FUNDING.—

(1) INSURANCE AUTHORITY.—Using any authority provided in appropriation Acts to insure loans under the National Housing Act, the Secretary may enter into commitments under this section for reinsurance of mortgages on not more than 25,000 units for fiscal year 1993, not less than 40 percent of which shall be reserved to carry out the pilot program under subsection (g)(2).

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for costs of administration of activities under this section such sums as may be necessary for fiscal year 1993. Any amounts appropriated under this section shall remain available until expended.

#### SEC. 543. MULTIFAMILY HOUSING FINANCIAL DATA PROJECT.

(a) IN GENERAL.—The Secretary of Housing and Urban Development may enter into a contract with an appropriate organization (to the extent amounts are made available in appropriation Acts for such purpose) to carry out the multifamily housing financial data project under this section.

(b) FUNCTIONS.—The purpose of the multifamily housing financial data project under this section shall be to improve the availability and efficiency of financing for multifamily rental housing. The project shall—

(1) analyze available data regarding the performance of multifamily housing mortgage loans in all regions of the country;

(2) prepare a comprehensive national database on the operation and financing of multifamily housing that will provide reliable information appropriate to meet the projected needs of lenders, investors, sponsors, property managers, and public officials;

(3) identify important factors that affect the long-term financial and operational soundness of multifamily housing properties, including factors relating to project credit risk, project underwriting, interest rate risk, real estate market conditions, public subsidies, tax policies, borrower characteristics, program management standards, and government policies;

(4) develop common definitions, standards, and procedures that will improve multifamily housing underwriting and accelerate the development of a strong, competitive, and efficient secondary market for multifamily housing loans; and

(5) make available appropriate information to various organizations in forms that will assist in improving multifamily housing loan underwriting and servicing.

(c) CONTRACT PROVISIONS.—

(1) DUTIES.—The contract under this section shall provide that the contracting organization shall make diligent and reasonable efforts to carry out activities under this section in cooperation with representatives of diverse participants in the multifamily rental housing delivery system, including lenders, equity investors, sponsors, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified housing finance agencies, and government agencies.

(2) COSTS.—

(A) FEDERAL AMOUNTS.—The contract shall provide the contracting organization with amounts made available under this section for not more than 50 percent of any costs of the contracting organization for activities to carry out this section.

(B) NON-FEDERAL AMOUNTS.—The contracting organization shall demonstrate to the satisfaction of the Secretary that amounts for any remaining costs for such activities will be provided from non-Federal sources.

(3) TIMING.—The Secretary shall enter into the contract not less than 3 months after the contracting organization demonstrates to the satisfaction of the Secretary that firm commitments for non-Federal amounts required under paragraph (2)(B) are available.

(d) QUALIFICATIONS OF CONTRACTING ORGANIZATION.—To be eligible to enter into a contract under this section, an organization shall—

(1) be a nonprofit entity organized in accordance with appropriate Federal, State, or local laws;

(2) have staffing and other resources that, in the determination of the Secretary, are adequate to carry out this section;

(3) provide, in the establishment of policies related to activities under this section, for active participation by representatives of multifamily housing mortgage lenders, sponsors, equity investors, nationally recognized rating agencies, the financial services industry, qualified housing finance agencies, and other major participants in the multifamily rental housing delivery system, including individuals and organizations having experience with subsidized multifamily housing; and

(4) agree to maintain financial accounting and other recordkeeping practices required by the Secretary to carry out this section

and comply with any other requirements under law.

(e) MULTIFAMILY HOUSING FINANCIAL DATA.—

(1) PROVISION OF INFORMATION BY FEDERAL AGENCIES.—The Secretary, the Director of the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Housing Finance Board, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation shall each make available to the contracting organization representative samples of any multifamily housing mortgage loan data of such agency or office for the purpose of enabling the contracting organization to carry out sound statistical analyses of multifamily housing mortgage activity in accordance with this section.

(2) AUTHORITY TO OBTAIN INFORMATION FROM SOURCES.—To carry out paragraph (1), the Secretary, the Director of the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation may obtain loan data from mortgage originators and government-sponsored enterprises regulated by such agencies and offices, and from housing finance agencies and life insurance companies, except that—

(A) each request for data shall be for a representative sample of data from a representative sample of loan originators;

(B) any information obtained shall be used only for the purposes under this section;

(C) the agencies and offices that obtain such loan data made available under this section and the contracting organization shall maintain the confidentiality of the data in the manner established for the material by the submitting entity, and such data shall not be subject to release under section 552 of title 5, United States Code;

(D) only aggregate data shall be publicly released by the contracting organization, unless the contracting organization receives the explicit permission of the mortgage originator or government-sponsored enterprise from which the information is obtained; and

(E) any officer or employee of the Department of Housing and Urban Development, the Office of Thrift Supervision, the Board of Governors of the Federal Reserve, the Office of the Comptroller of the Currency, or the Federal Deposit Insurance Corporation shall be subject to the penalties under section 1906 of title 18, United States Code, if—

(i) by virtue of employment or official position, the officer or employee has possession of or access to any book, record, or information made available under this subsection and established as confidential under subparagraph (c); and

(ii) the officer or employee discloses the material in any manner other than to an officer or employee of the same Federal agency employing the officer or employee, or other than pursuant to the exceptions under such section 1906.

(f) REPORT.—Not later than 15 months after the date of the enactment of this Act, the contracting organization shall submit to the Secretary and the Congress a report describing the activities and findings of the organization in carrying out this section and containing recommendations of the organization for improving the availability and efficiency of financing for multifamily rental housing.

(g) GAO AUDIT AND EVALUATION.—



(1) **AUDIT.**—The financial transactions of the contracting organization relating to activities under this section may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files and other papers, things, or property belonging to or in use by the contracting organization pertaining to such financial transactions and necessary to facilitate the audit.

(2) **EVALUATION.**—The Comptroller General of the United States shall conduct an independent analysis of the findings and recommendations submitted by the contracting organization under this section.

(h) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$2,000,000 for fiscal year 1993. Any amounts appropriated under this subsection, including any amounts not obligated because of any lack of availability of non-Federal amounts required under subsection (c)(2)(b), shall remain available until expended.

#### SEC. 544. DEFINITIONS.

For purposes of this subtitle:

(1) The term "multifamily housing" means a property consisting of more than 4 dwelling units.

(2) The term "qualified housing finance agency" means any State or local housing finance agency that—

(A) carries the designation of "top tier" or its equivalent, as evaluated by Standard and Poors or any other nationally recognized rating agency;

(B) receives a rating of "A" for its general obligation bonds from a nationally recognized rating agency; or

(C) otherwise demonstrates its capacity as a sound and experienced agency based on its experience in financing multifamily housing, fund balances, administrative capabilities, investment policy, internal controls and financial management, portfolio quality, State or local support, and any other factors.

(3) The term "reinsurance agreement" means a contractual obligation under which the Secretary, in exchange for appropriate compensation, agrees to assume a specified portion of the risk of loss that a lender or other party has previously assumed with respect to a mortgage on a multifamily housing property.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

Page 256, after line 17, insert the following new subsection:

(c) **REPEAL OF REQUIREMENT FOR STATE AND LOCAL CERTIFICATION OF SERVICES.**—Section 202(e) of the Housing Act of 1959 (12 U.S.C. 1701q(e)), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended—

(1) by striking paragraph (5); and

(2) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

Page 256, line 18, strike "(c)" and insert "(d)".

Page 258, line 15, strike "(d)" and insert "(e)".

Page 259, line 14, strike "(e)" and insert "(f)".

Page 263, line 8, strike "section 8" and insert "sections 8(b) and 8(o)".

Page 292, line 1, strike "8(q)" and insert "8(i)".

Page 292, line 6, strike "5(j)(2)(F)" and insert "5(j)(2)(G)".

Page 295, strike lines 9 through 14 and insert the following:

Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) is amended by inserting after subsection (h) the following new subsection:

"(i) **ASSISTANCE FOR HANDICAPPED AND DISABLED FAMILIES.**—For each fiscal year, each public.

Page 296, line 6, strike "subsection (h)(2)" and insert "subsections (d)(1)(A), (d)(2)(D), and (o)(3)(B)".

Page 296, line 16, strike "(F)" and insert "(G)".

Page 303, line 17, strike "8(h)" and insert "8(d)(1)".

Page 308, lines 14 through 16, strike "subclauses (I) through (III) of section 8(h)(2)(A)(i) of the United States Housing Act of 1937" and insert "section 8(d)(1)(A)(i) of the United States Housing Act of 1937 and the first sentence of 8(o)(3)(B) of such Act".

Page 314, strike line 7 and all that follows through line 19 on page 315, and insert the following:

Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) is amended by adding at the end the following new subparagraph:

"(F)(i) In determining the amount of assistance provided under an assistance contract for project-based assistance under this paragraph or a contract for assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983), the Secretary may consider and annually adjust, with respect to such project, for the cost of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of any services within the project for residents of the project who are elderly, handicapped, or disabled families.

"(ii) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by \$5,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for assistance under this section which shall be made available through assistance contracts only for the purpose of providing service coordinators under clause (i) for projects receiving project-based assistance under this paragraph and to provide additional amounts under contracts for assistance for projects constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of this Act (as such section existed immediately before October 1, 1983) only for such purpose."

Page 315, strike line 23 and all that follows through line 9 on page 317, and insert the following:

Section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3)(A) Fees under this subsection may be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 661 of the Housing and Community Development Act of 1992 to coordinate the provision of supportive services for elderly, handicapped, and disabled families on whose behalf tenant-based assistance is provided under this section. Such service coordinators shall have the same responsibilities with respect to such

families as service coordinators of covered federally assisted housing projects have under section 661 of such Act with respect to residents of such projects.

"(B) To the extent amounts are provided in appropriation Acts under subparagraph (C), the Secretary shall increase fees under this subsection to provide for the costs of such service coordinators for public housing agencies.

"(C) The budget authority available under section 5(c) for assistance under this section is authorized to be increased by \$15,000,000 on or after October 1, 1992. Amounts made available under this subparagraph shall be used to provide additional amounts under annual contributions contracts for increased fees under this subsection, which shall be used only for the purpose of providing service coordinators for public housing agencies described in subparagraph (A)."

Page 320, after line 16, insert the following new paragraph:

(2) **INAPPLICABILITY OF HUD REFORM ACT PROVISIONS.**—Notwithstanding section 102 of the Department of Housing and Urban Development Reform Act of 1989, the provisions of paragraphs (1), (2), and (3) of subsection (a) of such Act shall not apply to amendments to contracts under section 8 of the United States Housing Act of 1937 made to carry out the purposes of paragraph (1) of this subsection.

Page 320, line 17, strike "(2)" and insert "(3)".

Page 323, strike line 10 and all that follows through line 3 on page 324, and insert the following new subsection:

(b) **PROJECT-BASED SECTION 8 HOUSING.**—Section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)), as amended by section 664 of this Act, is further amended by adding at the end the following new subparagraphs:

"(G) An assistance contract for project-based assistance under this paragraph shall provide that the owner shall ensure and maintain compliance with the subtitle C of title VI of the Housing and Community Development Act of 1992 and any regulations issued under such subtitle.

"(H) Notwithstanding subsection (d)(1)(A)(i), an owner of a housing for which project-based assistance is provided under this subsection may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992."

Page 348, after line 20, insert the following new section:

#### SEC. 711. RECIPROCITY IN APPROVAL OF HOUSING SUBDIVISIONS AMONG FEDERAL AGENCIES.

(a) **EXTENSION OF AUTHORITY.**—Section 535(b) of the Housing Act of 1949 (42 U.S.C. 1490o(b)) is amended by striking the last sentence and inserting the following new sentence: "This subsection shall not apply after June 15, 1993."

(b) **RETROACTIVITY.**—Any administrative approval of any housing subdivision made after the expiration of the 18-month period beginning on the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989 and before the date of the enactment of this Act is hereby approved and shall be considered to have been lawfully made, but only if otherwise made in accordance with the provisions of section 535(b) of the Housing Act of 1949.

Page 350, after line 13, insert the following:

"(C) \$6,000,000 shall be available for grants under subsection (b)(5);

Page 350, line 14, strike "(C)" and insert "(D)".

Page 350, line 16, strike "(D)" and insert "(E)".

Page 350, line 18, strike "(5)".

Page 350, line 19, strike "(E)" and insert "(F)".

Page 355, after line 15, insert the following new section:

**SEC. 806. EVALUATION, SELECTION, AND REVIEW OF ECONOMIC DEVELOPMENT PROJECTS.**

(a) REVIEW.—Section 104 of the Housing and Community Development Act of 1974 (42 U.S.C. 5304) is amended—

(1) in subsection (e)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) whether the activities carried out pursuant to section 105(a)(14), (15), and (17) by any entities receiving (or to receive) assistance from grant recipients for such activities (A) are furthering the objectives and goals of this title under section 101, (B) comply with the requirements of this title and program guidelines established pursuant to this title (including the guidelines established under section 105(d)), and (C) further the objectives identified in the grantee's statement under subsection (a); if the Secretary determines that any such activity does not comply with the requirements under clauses (A), (B), and (C) of this paragraph, the Secretary shall provide that no additional grant amounts under this title may be disbursed by any grant recipient for such activity.";

(2) by adding at the end the following new subsection:

"(n) TRAINING FOR EVALUATING ECONOMIC DEVELOPMENT PROJECTS.—The Secretary shall carry out a program to educate and train officers and employees of area and other field offices of the Department of Housing and Urban Development to conduct evaluations required pursuant to subsection (e)(3). There is authorized to be appropriated \$1,000,000 for fiscal year 1993 to carry out such program."

(b) GUIDELINES.—Section 105 of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) is amended by adding at the end the following new subsection:

"(d) GUIDELINES FOR EVALUATING AND SELECTING ECONOMIC DEVELOPMENT PROJECTS.—

"(1) ESTABLISHMENT.—The Secretary shall establish, by regulation, guidelines to assist grant recipients under this title to evaluate and select activities described in section 105(a)(14), (15), and (17) for assistance with grant amounts.

"(2) PROJECT COSTS AND FINANCIAL REQUIREMENTS.—The guidelines established under this subsection shall ensure that—

"(A) the project costs of such activities are reasonable;

"(B) adequate financial support has been committed for such activities from non-Federal sources;

"(C) any grant amounts to be provided for such activities do not substantially reduce the amount of non-Federal financial support for the activities;

"(D) such activities are financially feasible and provide not more than a reasonable return on investment to the owner; and

"(E) to the extent practicable, grant amounts used for the costs of such activities are disbursed on a pro rata basis with amounts from other sources.

"(3) PUBLIC BENEFIT.—The guidelines established under this subsection shall ensure

that the public benefit provided by the activity is proportional to the amount of assistance provided with grant amounts under this title."

(c) GAO STUDY.—The Comptroller General of the United States shall conduct a study of the use of grant amounts under the community development block grant program (under title I of the Housing and Community Development Act of 1974) for activities described in paragraphs (14), (15), and (17) of section 105(a) of such Act. The study shall evaluate whether the activities for which such amounts are being used under such paragraphs further the goals and objectives of such program, as established in section 101 of such Act. The Comptroller General shall submit a report to the Congress regarding the findings of the study not later than the expiration of the 18-month period beginning on the date of the enactment of this Act. The report shall include recommendations of (1) any administrative or legislative actions that may be taken to ensure that such grant amounts are properly and efficiently used for economic development activities, and (2) criteria by which to evaluate the effectiveness of activities assisted under paragraphs (14), (15), and (17) of such section 105(a).

Page 355, line 16, strike "SEC. 806." and insert "SEC. 807."

Page 358, line 16, strike "SEC. 807." and insert "SEC. 808."

Page 361, line 11, strike "SEC. 808." and insert "SEC. 809."

Page 361, line 18, strike "SEC. 809." and insert "SEC. 810."

Page 411, after line 19, insert the following new sections:

**SEC. 917. BANK ENTERPRISE ACT OF 1991 AND RELATED PROVISIONS.**

(a) ASSESSMENT RATE FOR LIFELINE ACCOUNT DEPOSITS.—Section 7(b)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(10)) (as added by section 232(b)(2) of the Bank Enterprise Act of 1991) is amended by striking "at the assessment rate of 1/2 the maximum rate," and inserting "at an assessment rate to be determined by the Corporation by regulation. Such assessment rate may not be less than 1/2 the maximum assessment rate."

(b) ASSESSMENT PROCEDURE.—Section 7(b)(2)(A)(iii)(I) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(iii)(I)) (as added by section 232(b)(3)(C) of the Bank Enterprise Act of 1991) is amended to read as follows:

"(I) the assessment rate determined by the Corporation pursuant to paragraph (10) with respect to such semiannual period; and"

(c) QUALIFYING ACTIVITIES FOR ASSESSMENT CREDITS.—Section 233(a)(2) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(2)) is amended to read as follows:

"(2) QUALIFYING ACTIVITIES.—An insured depository institution shall be eligible for any community enterprise assessment credit for any semiannual period for—

"(A) the amount, during such period, of new originations of qualified loans and other financial assistance provided for low- and moderate-income persons in distressed communities, or enterprises integrally involved with such neighborhoods, which the Board determines are qualified to be taken into account for purposes of this subsection; and

"(B) the amount, during such period, of deposits accepted from persons domiciled in the distressed community, at any office of the institution (including any branch) located in any qualified distressed community, and new originations of any loans and other financial assistance made within that com-

munity, except that in no case shall the credit for deposits at any institution or branch exceed the credit for loans and other financial assistance by the bank or branch in the distressed community."

(d) AMOUNT OF ASSESSMENT CREDIT.—Section 233(a)(3) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(a)(3)) is amended to read as follows:

"(3) AMOUNT OF ASSESSMENT CREDIT.—The amount of any community enterprise assessment credit available under section 7(d)(4) of the Federal Deposit Insurance Act for any insured depository institution, or a qualified portion thereof, shall be the amount which is equal to 5 percent, in the case of an institution which does not meet the community development organization requirements under section 234, and 15 percent, in the case of an institution, or a qualified portion thereof, which meets such requirements (or any percentage designated under paragraph (5)) of—

"(A) for the first full semiannual period in which community enterprise assessment credits are available, the sum of—

"(i) the amounts of assets described in paragraph (2)(A); and

"(ii) the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B); and

"(B) for any subsequent semiannual period, the sum of—

"(i) any increase during such period in the amount of assets described in paragraph (2)(A) that has been deemed eligible for credit by the Board; and

"(ii) any increase during such period in the amounts of deposits, loans, and other financial assistance described in paragraph (2)(B) that has been deemed eligible for credit by the Board."

(e) ELIGIBILITY REQUIREMENTS FOR QUALIFIED DISTRESSED COMMUNITIES.—Section 233(b)(4) of the Bank Enterprise Act of 1991 (12 U.S.C. 1934a(b)(4)) is amended to read as follows:

"(4) ELIGIBILITY REQUIREMENTS.—For purposes of this subsection, an area meets the requirements of this paragraph if the following criteria are met:

"(A) At least 30 percent of the residents residing in the area have incomes which are less than the national poverty level.

"(B) The unemployment rate for the area is 1 1/2 times greater than the national average (as determined by the Bureau of Labor Statistics' most recent figures).

"(C) Such additional eligibility requirements as the Board may, in its discretion, deem necessary to carry out the provisions of this subtitle."

**SEC. 918. PROHIBITION ON USE OF "RULE OF 78s" IN CONNECTION WITH MORTGAGE REFINANCINGS AND OTHER CONSUMER LOANS.**

(a) PROMPT REFUND OF UNEARNED INTEREST REQUIRED.—

(1) IN GENERAL.—If a consumer prepays in full the financed amount under any consumer credit transaction, the creditor shall promptly refund any unearned portion of the interest charge to the consumer.

(2) EXCEPTION FOR REFUND OF DE MINIMUS AMOUNT.—No refund shall be required under paragraph (1) with respect to the prepayment of any consumer credit transaction if the total amount of the refund would be less than \$1.

(3) APPLICABILITY TO REFINANCED TRANSACTIONS AND ACCELERATION BY THE CREDITOR.—This subsection shall apply with respect to any prepayment of a consumer credit transaction described in paragraph (1) without regard to the manner or the reason for the prepayment, including—



(A) any prepayment made in connection with the refinancing, consolidation, or restructuring of the transaction; and

(B) any prepayment made as a result of the acceleration of the obligation to repay the amount due with respect to the transaction.

(b) **USE OF "RULE OF 78'S" PROHIBITED.**—For the purpose of calculating any refund of interest required under subsection (a) for any precomputed consumer credit transaction of a term exceeding 61 months which is consummated after September 30, 1993, the creditor shall compute the refund based on a method which is at least as favorable to the consumer as the actuarial method.

(c) **STATEMENT OF PREPAYMENT AMOUNT.**—

(1) **IN GENERAL.**—Before the end of the 5-day period beginning on the date an oral or written request is received by a creditor from a consumer for the disclosure of the amount due on any precomputed consumer credit account, the creditor or assignee shall provide the consumer with a statement of—

(A) the amount necessary to prepay the account in full; and

(B) if the amount disclosed pursuant to subparagraph (A) includes an amount which is required to be refunded under this section with respect to such prepayment, the amount of such refund.

(2) **WRITTEN STATEMENT REQUIRED IF REQUEST IS IN WRITING.**—If the customer's request is in writing, the statement under paragraph (1) shall be in writing.

(3) **1 FREE ANNUAL STATEMENT.**—A consumer shall be entitled to obtain 1 statement under paragraph (1) each year without charge.

(4) **ADDITIONAL STATEMENTS SUBJECT TO REASONABLE FEES.**—Any creditor may impose a reasonable fee to cover the cost of providing any statement under paragraph (1) to any consumer in addition to the 1 free annual statement required under paragraph (3) if the amount of the charge for such additional statement is disclosed to the consumer before furnishing such statement.

(d) **DEFINITIONS.**—For the purpose of this section—

(1) **ACTUARIAL METHOD.**—The term "actuarial method" means the method of allocating payments made on a debt between the amount financed and the finance charge pursuant to which a payment is applied first to the accumulated finance charge and any remainder is subtracted from, or any deficiency is added to, the unpaid balance of the amount financed.

(2) **CONSUMER, CREDIT.**—The terms "consumer" and "creditor" have the meanings given to such terms in section 103 of the Consumer Credit Protection Act.

(3) **CREDITOR.**—The term "creditor"—

(A) has the meaning given to such term in section 103 of the Consumer Credit Protection Act; and

(B) includes any assignee of any creditor with respect to credit extended in connection with any consumer credit transaction and any subsequent assignee with respect to such credit.

#### SEC. 919. REGULATIONS CLARIFYING THE TERM "HOUSING FOR OLDER PERSONS".

The Secretary of Housing and Urban Development shall, not later than 180 days after the date of the enactment of this Act, make rules defining what are "significant facilities and services especially designed to meet the physical or social needs of older persons" required under section 807(b)(2) of the Fair Housing Act to meet the definition of the term "housing for older persons" in such section.

#### SEC. 920. USE OF DOMESTIC PRODUCTS.

(a) **PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.**—

(1) **IN GENERAL.**—A person shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) **INELIGIBILITY.**—A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) **COMPLIANCE WITH BUY AMERICAN ACT.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c), popularly known as the "Buy American Act".

(2) **APPLICABILITY.**—This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) **REPORT.**—The Secretary of Housing and Urban Development and the Secretary of Agriculture, before January 1, 1994, shall each submit a report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) **DEFINITIONS.**—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

Page 457, line 7, strike "(8(e))" and insert "(8(c)(1))".

Page 458, line 9, strike "(8(e))" and insert "(8(c)(1))".

Page 458, line 20, strike "(8(1))" and insert "(8(n))".

Page 461, after line 20, insert the following new subsection:

(c) **STATE AND LOCAL TAXES.**—

(1) **REQUIREMENT TO PROVIDE INFORMATION UPON REQUEST.**—In carrying out the program referred to in subsection (a), the Secretary of Housing and Urban Development shall provide the information described in paragraph (2) to any lessee or applicant under the program who requests such information.

(2) **CONTENT.**—The information referred in paragraph (1) shall identify and describe any exemptions or reductions relating to payment of property taxes under State and local laws (for the jurisdictions for which the lessee or applicant requests such information) that may be applicable to lessees or applicants, or to properties leased, under such program.

(3) **EXEMPTION FROM ESCROW REQUIREMENT.**—To the extent any lessee of a property under the program referred to in subsection (a) is provided an exemption from any requirement to pay State or local taxes, or a reduction in the amount of any such taxes, the Secretary may not require the lessee to pay or deposit in any escrow account amounts for the payment of such taxes.

At the end of the bill, insert the following new title:

#### TITLE XII—REMOVAL OF REGULATORY BARRIERS TO AFFORDABLE HOUSING

##### SEC. 1201. SHORT TITLE.

This title may be cited as the "Removal of Regulatory Barriers to Affordable Housing Act of 1992".

##### SEC. 1202. PURPOSES.

The purposes of this Act are—

(1) to encourage State and local governments to further identify and remove regulatory barriers to affordable housing (including barriers that are excessive, unnecessary, duplicative, or exclusionary) that significantly increase housing costs and limit the supply of affordable housing; and

(2) to strengthen the connection between Federal housing assistance and State and local efforts to identify and eliminate regulatory barriers.

##### SEC. 1203. DEFINITION OF REGULATORY BARRIERS TO AFFORDABLE HOUSING.

For purposes of this Act, the terms "regulatory barriers to affordable housing" and "regulatory barriers" mean any public policies (including policies embodied in statutes, ordinances, regulations, or administrative procedures or processes) required to be identified by a jurisdiction in connection with its comprehensive housing affordability strategy under section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act. Such terms do not include policies relating to rents imposed on a structure by a jurisdiction or policies that have served to create or preserve, or can be shown to create or preserve, housing for low- and very low-income families, including displacement protections, demolition controls, replacement housing requirements, relocation benefits, housing trust funds, dedicated funding sources, waiver of local property taxes and builder fees, inclusionary zoning, rental zoning overlays, long-term use restrictions, and rights of first refusal.

##### SEC. 1204. CDBG GRANTS FOR REGULATORY BARRIER REMOVAL STRATEGIES AND IMPLEMENTATION.

(a) **SET-ASIDE OF CDBG AMOUNTS.**—Section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303) is amended—

(1) in paragraph (3), by striking "and" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) not less than \$15,000,000 in each fiscal year for grants under section 107(g) to States and units of general local government for developing and implementing strategies for the removal of regulatory barriers to affordable housing."

(b) **GRANT REQUIREMENTS.**—Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307) is amended—

(1) in subsection (e)(1), by inserting "subsection (b) or (c)" before "this section"; and

(2) by adding at the end the following new subsection:

"(g) **GRANTS FOR REGULATORY BARRIER REMOVAL DEVELOPMENT AND IMPLEMENTATION.**—

"(1) **STATE GRANTS.**—From amounts set aside under section 103(5), the Secretary shall make grants to States for the costs of developing and implementing strategies to remove regulatory barriers to affordable housing, including the costs of—

"(A) identifying, assessing, and monitoring State and local regulatory barriers;

"(B) identifying State and local policies (including laws and regulations) that permit or encourage regulatory barriers;

"(C) developing legislation to provide a State program to reduce State and local regulatory barriers and developing a strategy for adoption of such legislation;

"(D) developing model State standards and ordinances to reduce regulatory barriers and assisting in the adoption and use of the standards and ordinances;

"(E) carrying out the simplification and consolidation of State administrative procedures and processes constituting regulatory barriers to affordable housing, including the issuance of permits; and

"(F) providing technical assistance and information to units of general local government for implementation of legislative and administrative reform programs to remove regulatory barriers to affordable housing.

"(2) **LOCAL GRANTS.**—From amounts set aside under section 103(5), the Secretary shall make grants to units of general local government for the costs of developing and implementing strategies to remove regulatory barriers to affordable housing, including the costs of—

"(A) identifying, assessing, and monitoring local regulatory barriers;

"(B) identifying local policies (including laws and regulations) that permit or encourage regulatory barriers;

"(C) developing legislation to provide a local program to reduce local regulatory barriers and developing a strategy for adoption of such legislation;

"(D) developing model local standards and ordinances to reduce regulatory barriers and assisting in the adoption and use of the standards and ordinances; and

"(E) carrying out the simplification and consolidation of local administrative procedures and processes constituting regulatory barriers to affordable housing, including the issuance of permits.

"(3) **DEFINITION.**—For purposes of this subsection, the terms 'regulatory barriers to affordable housing' and 'regulatory barriers' have the meaning given such terms in section 1203 of the Removal of Regulatory Barriers to Affordable Housing Act of 1992.

"(4) **APPLICATION AND SELECTION.**—The Secretary shall provide for the form and manner of applications for grants under this subsection, which shall describe how grant amounts will assist the State or unit of general local government in developing and implementing strategies to remove regulatory barriers to affordable housing. The Secretary shall establish criteria for approval of applications under this paragraph and for the selection of units of general local government to receive grants under paragraph (5)(B).

"(5) **ALLOCATION OF AMOUNTS.**—

"(A) **STATE GRANTS.**—

"(i) **IN GENERAL.**—Of the total amount appropriated for each fiscal year under section 103(5) to carry out this subsection, the Secretary shall use two-thirds of such amount to provide grants under paragraph (1) to each State submitting an application that is approved by the Secretary. Such amounts shall be allocated among the States based upon the measure of need (for the whole State) of each State, as determined under section 217(b)(1)(A) of the Cranston-Gonzalez National Affordable Housing Act, except that the minimum amount of each for each fiscal year grant shall be \$100,000 (to the extent sufficient amounts are made available).

"(ii) **PRO RATA DISTRIBUTION.**—If insufficient amounts are made available for grants in the amount under clause (i) to each State submitting an approved application, each such State shall receive a pro rata portion of such amount based on the ratio of the popu-

lation of such State to the population of all States.

"(B) **LOCAL GRANTS.**—Of the total amount appropriated for each fiscal year under section 103(5) to carry out this subsection, the Secretary shall use one-third of such amount to provide grants on a competitive basis to units of general local government based on the proposed uses of such amounts, as provided in the application. Each grant made with such amounts shall be in an amount not less than \$10,000.

"(6) **COORDINATION WITH CLEARINGHOUSE.**—Each State and unit of general local government receiving a grant under this subsection, shall consult, coordinate, and exchange information with the clearinghouse established under section 1205 of the Removal of Regulatory Barriers to Affordable Housing Act of 1992.

"(7) **REPORTS TO SECRETARY.**—Each State and unit of general local government receiving a grant under this subsection shall submit a report to the Secretary, not less than 12 months after receiving the grant, describing any activities carried out with the grant amounts."

(c) **CONFORMING AMENDMENTS.**—The first sentence of section 106(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)(1)) is amended by striking "for grants" and all that follows through "(2)" and inserting "that remains after allocations pursuant to paragraphs (1) and (2) of subsection (a)".

#### SEC. 1205. REGULATORY BARRIERS CLEARINGHOUSE.

(a) **ESTABLISHMENT.**—The Secretary of Housing and Urban Development shall establish a clearinghouse to receive, collect, process, and assemble information regarding—

(1) State and local laws, regulations, and policies affecting the development, maintenance, improvement, availability, or cost of affordable housing, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on investment in residential property; and

(2) State and local activities, strategies, and plans to remove or ameliorate the negative effects, if any, of such laws, regulations, and policies.

(b) **FUNCTIONS.**—The clearinghouse established under subsection (a) shall respond to inquiries from State and local governments, other organizations, and individuals requesting information regarding State and local laws, regulations, policies, activities, strategies, and plans described in subsection (a) and provide assistance in identifying, examining, and understanding such laws, regulations, policies, activities, strategies, and plans.

#### SEC. 1206. SUBSTANTIALLY EQUIVALENT FEDERAL AND STATE BARRIER ASSESSMENT REMOVAL REQUIREMENTS.

Section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(4)) is amended by inserting before the semicolon at the end the following: "and except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this paragraph, as determined by the Secretary, the unit of general local government may submit its assessment submitted to the State to the Secretary and shall be considered to have complied with this paragraph".

#### SEC. 1207. REPORTS BY SECRETARY.

The Secretary of Housing and Urban Development shall submit a report to the Con-

gress, not later than the expiration of the 2-year period beginning on the date of the enactment of this Act, which shall—

(1) describe any successful State and local strategies for the removal of barriers to affordable housing; and

(2) describe any strategies developed or implemented by the Department of Housing and Urban Development for reducing barriers to affordable housing imposed by the Federal Government.

#### SEC. 1208. SUNSET.

(a) **CDBG GRANTS.**—The Secretary of Housing and Urban Development may not make any grants under section 107(g) of the Housing and Community Development Act of 1974 (as added by section 1204(b)(2) of this Act) after the expiration of the 3-year period beginning on the date of the enactment of this Act.

(b) **CLEARINGHOUSE.**—The clearinghouse established under section 1205 of this Act shall terminate upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

(c) **SUBSTANTIALLY EQUIVALENT BARRIER ASSESSMENT REQUIREMENTS.**—Effective upon the expiration of the 3-year period beginning on the date of the enactment of this Act, section 105(b)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)(4)) is amended by striking the material inserted by the amendment made section 1206 of this Act.

#### AMENDMENTS TO AUTHORIZATION AMOUNTS

Page 8, line 15, strike "\$15,158,946,956" and insert "\$14,552,589,078".

Page 9, line 4, strike "\$844,792,000" and insert "\$811,000,320".

Page 9, line 5, strike "\$247,312,000" and insert "\$237,419,520".

Page 9, line 8, strike "\$2,039,232,000" and insert "\$1,957,662,720".

Page 9, line 18, strike "\$2,332,200,000" and insert "\$2,238,912,000".

Page 9, line 20, strike "\$455,624,000" and insert "\$437,399,000".

Page 9, line 22, strike "\$173,576,000" and insert "\$166,632,960".

Page 9, line 24, strike "\$7,261,632,000" and insert "\$6,971,166,720".

Page 10, line 8, strike "\$1,918,800,550" and insert "\$1,842,048,528".

Page 10, line 6, strike "\$21,755,000" and insert "\$20,884,800".

Page 10, line 8, strike "\$85,800,000" and insert "\$82,368,000".

Page 10, line 8, strike "\$32,175,000" and insert "\$30,888,000".

Page 10, line 15, strike "\$25,535,406" and insert "\$24,513,990".

Page 28, line 11, strike "\$2,169,440,000" and insert "\$2,082,662,400".

Page 33, line 25, strike "\$27,144,000" and insert "\$26,058,240".

Page 34, line 8, strike "\$21,736,000" and insert "\$20,866,560".

Page 86, line 21, strike "\$36,400,000" and insert "\$34,944,000".

Page 98, line 19, strike "\$173,576,000" and insert "\$166,632,960".

Page 100, line 11, strike "\$54,288,000" and insert "\$52,116,480".

Page 101, line 9, strike "\$3,848,000" and insert "\$3,694,080".

Page 101, line 17, strike "\$7,280,000" and insert "\$6,988,800".

Page 105, line 5, strike "\$379,600" and insert "\$364,416".

Page 135, line 25, strike "\$100,000,000" and insert "\$96,000,000".

Page 136, line 6, strike "\$100,000,000" and insert "\$96,000,000".

Page 136, line 13, strike "\$200,000,000" and insert "\$192,000,000".



Page 138, line 19, strike "\$542,360,000" and insert "\$520,665,600".

Page 171, line 9, strike "\$2,169,440,000" and insert "\$2,082,662,400".

Page 171, line 10, strike "\$14,560,000" and insert "\$13,977,600".

Page 171, line 13, strike "\$11,440,000" and insert "\$10,982,400".

Page 205, line 4, strike "\$892,320,000" and insert "\$856,627,200".

Page 226, line 3, strike "\$66,184,980,000" and insert "\$65,905,824,960".

Page 226, line 6, strike "\$631,800,000" and insert "\$606,528,000".

Page 245, line 7, strike "\$100,000,000" and insert "\$96,000,000".

Page 254, line 14, strike "\$77,700,000,000" and insert "\$74,592,000,000".

Page 254, line 16, strike "\$6,936,000" and insert "\$6,658,560".

Page 255, line 23, strike "\$685,360,000" and insert "\$657,945,600".

Page 256, line 9, strike "\$765,722,496" and insert "\$735,093,596".

Page 260, line 18, strike "\$281,840,000" and insert "\$270,566,400".

Page 261, line 2, strike "\$325,122,688" and insert "\$312,117,780".

Page 261, line 12, strike "\$27,144,000" and insert "\$26,058,240".

Page 263, line 9, strike "\$36,920,000" and insert "\$35,443,200".

Page 263, line 19, strike "\$10,816,000" and insert "\$10,383,360".

Page 268, line 18, strike "\$162,760,000" and insert "\$156,249,600".

Page 313, line 24, strike "\$30,000,000" and insert "\$28,800,000".

Page 315, line 6, strike "\$5,000,000" and insert "\$4,800,000".

Page 317, line 2, strike "\$15,000,000" and insert "\$14,400,000".

Page 330, line 17, strike "\$2,305,836,000" and insert "\$2,213,602,560".

Page 330, line 21, strike "\$1,509,144,000" and insert "\$1,448,778,240".

Page 330, line 25, strike "\$12,896,000" and insert "\$12,380,160".

Page 331, line 2, strike "\$13,000,000" and insert "\$12,480,000".

Page 331, line 4, strike "\$769,080,000" and insert "\$738,318,800".

Page 331, line 6, strike "\$832,000" and insert "\$798,720".

Page 331, line 8, strike "\$884,000" and insert "\$848,640".

Page 331, line 15, strike "\$283,719,072" and insert "\$272,370,309".

Page 331, line 17, strike "\$5,596,864" and insert "\$5,372,989".

Page 331, line 19, strike "\$7,358,160" and insert "\$7,063,834".

Page 331, line 20, strike "\$398,845,488" and insert "\$382,891,668".

Page 331, line 22, strike "\$106,500" and insert "\$102,240".

Page 331, line 24, strike "\$19,500" and insert "\$18,720".

Page 332, line 15, strike "\$1,144,000" and insert "\$1,098,240".

Page 332, line 18, strike "\$21,944,000" and insert "\$21,066,240".

Page 332, line 19, strike "\$624,000" and insert "\$599,044".

Page 332, line 21, strike "\$5,512,000" and insert "\$5,291,520".

Page 333, line 14, strike "\$22,568,000" and insert "\$21,665,280".

Page 333, line 17, strike "\$10,920,000" and insert "\$10,483,200".

Page 333, line 19, strike "\$14,456,000" and insert "\$13,877,760".

Page 333, line 21, strike "\$32,032,000" and insert "\$30,750,720".

Page 334, line 5, strike "\$430,664,000" and insert "\$413,437,440".

Page 334, line 13, strike "\$5,720,000" and insert "\$5,491,200".

Page 349, line 10, strike "\$3,402,880,000" and insert "\$3,266,764,800".

Page 349, line 21, strike "\$312,000,000" and insert "\$299,520,000".

Page 350, line 10, strike "\$7,280,000" and insert "\$6,988,800".

Page 350, line 12, strike "\$6,760,000" and insert "\$6,489,600".

Page 350, line 14, strike "\$3,120,000" and insert "\$2,995,200".

Page 365, line 22, strike "\$37,960,000" and insert "\$36,441,600".

Page 366, line 10, strike "\$2,080,000" and insert "\$1,996,800".

Page 375, line 10, strike "\$22,984,000" and insert "\$22,064,640".

Page 382, line 24, strike "\$6,552,000" and insert "\$6,289,920".

Page 412, line 14, strike "\$143,520,000" and insert "\$137,779,200".

Page 433, line 23, strike "\$187,200,000" and insert "\$179,712,000".

Page 449, line 3, strike "\$50,000,000" and insert "\$48,000,000".

Page 449, line 14, strike "\$89,696,000" and insert "\$86,108,160".

Page 451, line 11, strike "\$269,144,000" and insert "\$258,186,240".

#### AMENDMENTS TO TABLE OF CONTENTS

In the table of contents, strike the item relating to section 141 and insert the following new item:

Sec. 141. Amendments to section 8 rental assistance program.

In the table of contents, after the item relating to section 532, insert the following new items:

Subtitle C—Improvement of Financing for Multifamily Housing

Sec. 541. Short title.

Sec. 542. Reinsurance pilot program.

Sec. 543. Multifamily housing financial data project.

Sec. 544. Definitions.

In the table of contents, after the item relating to section 710, insert the following new item:

Sec. 711. Reciprocity in approval of housing subdivisions among Federal agencies.

In the table of contents, redesignate the items relating to sections 806 through 809 to relate to sections 807 through 810, respectively.

In the table of contents, after the item relating to section 805, insert the following new item:

Sec. 806. Evaluation, selection, and review of economic development projects.

In the table of contents, after the item relating to section 916, insert the following new items:

Sec. 917. Bank Enterprise Act of 1991 and related provisions.

Sec. 918. Prohibition on use of "rule of 78's" in connection with mortgage refinancings and other consumer loans.

Sec. 919. Regulations clarifying the term "housing for older persons".

Sec. 920. Use of domestic products.

In the table of contents, after the item relating to section 1109, insert the following new items:

TITLE XII—REMOVAL OF REGULATORY BARRIERS TO AFFORDABLE HOUSING

Sec. 1201. Short title.

Sec. 1202. Purposes.

Sec. 1203. Definition of regulatory barriers to affordable housing.

Sec. 1204. CDBG grants for regulatory barrier removal strategies and implementation.

Sec. 1205. Regulatory barriers clearinghouse.

Sec. 1206. Substantially equivalent federal and State barrier assessment removal requirements.

Sec. 1207. Reports by secretary.

Sec. 1208. Sunset.

Sec. 1202. Purposes.

Sec. 1203. Definition of regulatory barriers to affordable housing.

Sec. 1204. CDBG grants for regulatory barrier removal strategies and implementation.

Sec. 1205. Regulatory barriers clearinghouse.

Sec. 1206. Substantially equivalent federal and State barrier assessment removal requirements.

Sec. 1207. Reports by secretary.

Sec. 1208. Sunset.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

For what reason does the gentleman from Ohio rise?

Mr. WYLIE. Mr. Chairman, I do not want to mislead the Chair. I am not opposed to the amendment.

The CHAIRMAN. Is there some Member designated as opposed to the amendment? Does the gentleman from Ohio [Mr. WYLIE] ask unanimous consent to control the time in opposition?

Mr. WYLIE. Mr. Chairman, I ask unanimous consent that I be allowed to control the time in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

□ 1350

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I rise to offer an en bloc amendment to H.R. 5334. This amendment represents a bipartisan commitment by members on both sides of the aisle to moving this housing legislation forward. It contains amendments filed by minority and majority members. I am pleased at the level of cooperation on all sides, particularly CHALMERS WYLIE and MARGE ROUKEMA, who have worked closely with me on fashioning this amendment.

The en bloc amendment contains a 4-percent across-the-board funding reduction, reflecting the tight budget environment that we must operate within. Of particular note, it contains a new FHA multifamily reinsurance pilot program. This pilot program will allow HUD to develop various models for risk sharing of multifamily housing, and eventually lead HUD out of the multifamily morass. It also contains guidelines for CDBG economic development, and provides funding for the development of strategies to remove barriers to affordable housing. It improves on a number of public housing provisions including vacancy reduction, demolition disposition, and choice in management and improves on the portability provisions of section 8 vouchers and certificates.

I urge my colleagues to support this amendment.

Mr. Chairman, I insert the following tabular material for the RECORD:

## COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS

	Fiscal year						
	1992 authoriza- tion	1992 administra- tion request	1992 appropria- tions <sup>1</sup>	1993 administra- tion request	1993 H.R. 5334	1993 House ap- propriations	1993 revision, H.R. 5334
<b>Title I—Housing Assistance:</b>							
Subtitle A—General Provisions	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
Subtitle B—Public and Indian Housing	2,112,100,000	2,155,844,000	2,450,000,000	2,282,436,000	2,218,320,000	2,307,436,000	2,129,587,200
Subtitles C/D—Section 8/Other Programs	265,165,000	372,113,000	271,375,000	242,265,000	275,771,600	371,025,000	266,740,736
Subtitle E—Homeownership Programs	1,376,500,000	1,124,948,000	355,200,000	1,000,000,000	942,360,000	351,000,000	904,665,600
<b>Title I total</b>	<b>18,463,165,000</b>	<b>18,540,334,000</b>	<b>18,723,215,000</b>	<b>18,062,824,919</b>	<b>18,595,398,556</b>	<b>16,999,780,000</b>	<b>17,853,582,614</b>
<b>Title II—Home Program</b>							
<b>Title III—Preservation Program</b>	<b>2,086,000,000</b>	<b>1,000,000,000</b>	<b>1,500,000,000</b>	<b>700,000,000</b>	<b>2,169,440,000</b>	<b>600,000,000</b>	<b>2,082,662,400</b>
<b>Title IV—Multifamily Strategies</b>	<b>858,000,000</b>	<b>718,462,000</b>	<b>618,462,000</b>	<b>1,161,998,000</b>	<b>892,320,000</b>	<b>1,000,000,000</b>	<b>856,627,200</b>
<b>Title V—Mortgage Insurance</b>	<b>0</b>	<b>0</b>	<b>506,151,000</b>	<b>638,736,000</b>	<b>638,736,000</b>	<b>634,353,000</b>	<b>615,186,560</b>
<b>Title VI—Elderly and Disabled Housing</b>	<b>1,732,000,000</b>	<b>377,750,000</b>	<b>1,270,727,000</b>	<b>331,470,081</b>	<b>2,345,685,184</b>	<b>1,447,550,000</b>	<b>2,251,857,777</b>
<b>Title VII—Rural Housing</b>	<b>1,191,566,500</b>	<b>772,695,618</b>	<b>926,285,608</b>	<b>647,120,900</b>	<b>1,241,223,424</b>	<b>1,056,961,000</b>	<b>1,191,580,251</b>
<b>Title VIII—Community Development</b>	<b>3,308,500,000</b>	<b>2,946,900,000</b>	<b>3,581,900,000</b>	<b>2,927,976,000</b>	<b>3,442,920,000</b>	<b>4,029,476,000</b>	<b>3,321,203,200</b>
<b>Title IX—Regulatory and Misc. Programs</b>	<b>28,934,000</b>	<b>43,000,000</b>	<b>33,000,000</b>	<b>42,750,000</b>	<b>29,536,000</b>	<b>32,600,000</b>	<b>28,354,560</b>
<b>Title X—McKinney Homeless Programs</b>	<b>659,000,000</b>	<b>535,733,000</b>	<b>449,960,000</b>	<b>537,278,000</b>	<b>739,560,000</b>	<b>537,278,000</b>	<b>709,785,600</b>
<b>Title XI—New Towns Demonstration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>28,327,165,500</b>	<b>24,934,874,618</b>	<b>27,609,700,608</b>	<b>25,050,153,900</b>	<b>30,094,825,164</b>	<b>26,337,598,000</b>	<b>28,910,840,161</b>
<b>Title I—Housing Assistance:</b>							
<b>Subtitle A—General Provisions:</b>							
Public Housing Grants	574,500,000	0	573,983,000	0	597,480,000	609,000,000	573,580,800
Indian	237,800,000	0	227,170,000	0	247,312,000	257,320,000	237,419,520
Sec. 8—Certificates	1,960,800,000	0	915,750,000	0	2,039,232,000	851,500,000	1,957,662,720
Sec. 8—Multicultural Tenant Assist	0	0	0	0	0	0	0
CIAP	2,242,500,000	2,266,967,000	2,800,975,000	2,291,750,000	2,332,200,000	3,000,000,000	2,238,912,000
Sec. 8—Property Disposition/restore	438,100,000	266,682,500	88,884,000	110,000,000	455,624,000	93,032,000	437,399,040
Sec. 8—Loan Management/restore	166,900,000	348,750,000	257,000,000	202,400,000	173,576,000	202,000,000	166,632,960
Sec. 8—Expiring Contracts	7,100,000,000	7,024,589,000	7,355,128,000	7,261,632,000	7,261,632,000	6,346,135,000	6,971,166,720
Sec. 8—Contract Amendments	1,690,200,000	2,615,590,500	2,488,250,000	1,918,800,550	1,918,800,550	1,616,304,000	1,842,048,528
P.H. Lease Adjust/Amend	216,100,000	112,000,000	112,000,000	21,755,000	21,755,000	140,555,000	20,884,800
Sec. 8—P.H. Replacements	82,500,000	0	(35,997,548)	0	85,800,000	0	82,368,000
Section 23 Conversions	0	35,150,000	16,666,000	25,535,406	25,535,406	25,535,000	24,513,990
Weed & Seed Proposal	0	0	0	(39,929,948)	0	0	0
Moving to Opportunity Proposal	0	0	0	(38,151,899)	0	0	0
P.H. Homeownership 5(h)/Voucher Proposal	0	0	0	(45,023,994)	0	0	0
Sec. 8—Vouchers	0	2,145,600,000	777,500,000	2,690,813,463	0	813,500,000	(959,254,733)
Sec. 8—Elderly Coordinators	0	(16,250,000)	(16,250,000)	15,437,500	0	15,438,000	0
Certificates/Voucher Opt-outs	0	31,100,000	16,667,000	0	0	0	0
Rent Supp./RAP Conversions	0	41,000,000	16,667,000	0	0	0	0
Low-inc. Hsng. Authorization—Subtotal	14,709,400,000	14,887,429,000	15,646,640,000	14,538,123,919	15,158,946,956	13,970,319,000	14,552,589,078
HOPE for Family Self-Sufficiency	(25,000,000)	0	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(24,000,000)
<b>Subtitle A—Subtotal</b>	<b>14,709,400,000</b>	<b>14,887,429,000</b>	<b>15,646,640,000</b>	<b>14,538,123,919</b>	<b>15,158,946,956</b>	<b>13,970,319,000</b>	<b>14,552,589,078</b>
<b>Subtitle B—Public and Indian Housing:</b>							
Pub. Hsng. Operating Subsidies	2,086,000,000	2,155,844,000	2,450,000,000	2,282,436,000	2,169,440,000	2,282,436,000	2,082,662,400
Pub. Hsng. Income Deductions	0	0	0	0	0	0	0
Pub. Hsng. Vacancy Reduction	0	0	0	0	0	0	0
Pub. Hsng. Resident Mgmt	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	0	(4,750,000)	0
P.H. Family Investment Centers	26,100,000	0	0	0	27,144,000	25,000,000	26,058,240
P.H. Early Child Dev. Grants	(15,700,000)	(5,000,000)	(5,000,000)	(4,750,000)	21,736,000	(5,000,000)	20,866,560
Indian P.H. Early Child Dev. Grants	(5,200,000)	0	0	0	0	0	0
Pub. Hsng. One-Stop Perinatal	(150,000)	0	0	0	0	0	0
National Comm. on Amer. Indians	0	0	0	0	0	0	0
<b>Subtitle B—Subtotal</b>	<b>2,112,100,000</b>	<b>2,155,844,000</b>	<b>2,450,000,000</b>	<b>2,282,436,000</b>	<b>2,218,320,000</b>	<b>2,307,436,000</b>	<b>2,129,587,200</b>
<b>Subtitles C/D—Section 8/Other Programs:</b>							
Sec. 8 Family Unification (Foster Care)	35,000,000	0	(50,000,000)	0	36,400,000	100,000,000	34,944,000
Moving to Opportunity	0	0	0	(38,151,899)	such sums	such sums	such sums
Pub. Hsng. Drug Elimination Grants	166,900,000	165,000,000	165,000,000	165,000,000	173,576,000	165,000,000	166,632,960
Flexible Subsidy/RESTORE	52,200,000	203,413,000	50,000,000	50,000,000	54,288,000	0	52,116,480
Housing Counseling	3,700,000	3,700,000	6,025,000	3,515,000	3,848,000	6,025,000	3,694,080
Emergency Housing Counseling	7,000,000	0	(2,000,000)	0	7,280,000	0	6,988,800
Counseling Certification Training	0	0	0	0	0	0	0
Prepurchase Counseling	365,000	0	350,000	379,600	0	0	364,416
Lead Based Paint Demo	0	0	50,000,000	23,750,000	0	100,000,000	0
Youthbuild	0	0	0	0	0	0	0
<b>Subtitles C/D—Subtotal</b>	<b>265,165,000</b>	<b>372,113,000</b>	<b>271,375,000</b>	<b>242,265,000</b>	<b>275,771,600</b>	<b>371,025,000</b>	<b>266,740,736</b>
<b>Subtitle E—Homeownership Programs:</b>							
HOPE Homeownership Grants:							
I. Public/Indian Housing	380,000,000	380,000,000	161,000,000	450,000,000	100,000,000	161,000,000	96,000,000
II. Multifamily Units	280,000,000	280,000,000	95,000,000	325,000,000	100,000,000	95,000,000	96,000,000
III. Single Family Homes	195,000,000	195,000,000	95,000,000	225,000,000	200,000,000	95,000,000	192,000,000
<b>HOPE Subtotal</b>	<b>855,000,000</b>	<b>855,000,000</b>	<b>351,000,000</b>	<b>1,000,000,000</b>	<b>400,000,000</b>	<b>351,000,000</b>	<b>384,000,000</b>
Pub. Hsng. Non-Purchaser Rental Assist.	0	53,990,000	0	(62,281,585)	0	0	0
Pub. Hsng. Replacement Units	0	215,958,000	0	(249,158,577)	0	0	0
HOPE 2 Non-Purchaser Assistance	0	0	0	(44,766,898)	0	0	0
<b>Subtotal</b>	<b>0</b>	<b>269,948,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>National Homeownership Trust</b>	<b>521,500,000</b>	<b>0</b>	<b>4,200,000</b>	<b>0</b>	<b>542,360,000</b>	<b>0</b>	<b>520,665,600</b>
<b>Trust/MRB Setaside</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indian Housing Loan Guarantees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subtitle E—Homeownership Subtotal</b>	<b>1,376,500,000</b>	<b>1,124,948,000</b>	<b>355,200,000</b>	<b>1,000,000,000</b>	<b>942,360,000</b>	<b>351,000,000</b>	<b>904,665,600</b>
<b>Title I total</b>	<b>18,463,165,000</b>	<b>18,540,334,000</b>	<b>18,723,215,000</b>	<b>18,062,824,919</b>	<b>18,595,398,556</b>	<b>16,999,780,000</b>	<b>17,853,582,614</b>
<b>Title II—HOME Investment Partnerships:</b>							
<b>HOME Investment Partnership Program</b>	<b>2,086,000,000</b>	<b>1,000,000,000</b>	<b>1,500,000,000</b>	<b>700,000,000</b>	<b>2,169,440,000</b>	<b>600,000,000</b>	<b>2,082,662,400</b>
<b>Comm. Housing Partnership Strategies</b>	<b>(14,000,000)</b>	<b>0</b>	<b>(14,000,000)</b>	<b>0</b>	<b>(14,560,000)</b>	<b>0</b>	<b>(13,977,600)</b>
<b>State/Local Housing Strategies</b>	<b>(11,000,000)</b>	<b>0</b>	<b>(11,000,000)</b>	<b>0</b>	<b>(11,440,000)</b>	<b>0</b>	<b>(10,982,400)</b>



## COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year—					
	1992 authoriza- tion	1992 administra- tion request	1992 appropria- tions <sup>1</sup>	1993 administra- tion request	1993 H.R. 5334	1993 House ap- propriations
HOME/Indians		(125,000,000)		(125,000,000)		0
Title II total	2,086,000,000	1,000,000,000	1,500,000,000	700,000,000	2,169,440,000	600,000,000
Title III—Preservation:						
Preservation Fund	858,000,000				892,320,000	1,000,000,000
Vouchers/Section 8 Cert		49,042,000	49,042,000	469,236,000		
Incentives/Homeownership		669,420,000	569,420,000	692,742,000	(692,742,000)	
Title III total	858,000,000	718,462,000	618,462,000	1,161,998,000	892,320,000	1,000,000,000
Title IV—Multifamily Housing Strategies						
Title V—Mortgage Ins./Secondary Market:						
FHA Credit Limitation (MMI)	(79,818,000,000)	(53,592,815,000)	(60,000,000,000)	(57,146,000,000)	(66,184,980,000)	(59,146,000,000)
FHA Credit Subsidy			499,556,000	631,800,000	631,800,000	627,673,000
GNMA Credit Limitation	(88,296,000,000)	(74,769,293,000)	(74,769,293,000)	(77,700,000,000)	(77,700,000,000)	(77,700,000,000)
GNMA Credit Subsidy			6,595,000	6,936,000	6,936,000	6,680,000
Reinsurance Pilot Program						2,000,000
Title V total	0	0	506,151,000	638,736,000	638,736,000	634,353,000
Title VI—Housing for Elderly/Disabled:						
Sec. 202 Elderly Advances	659,000,000	76,405,000	538,808,000	48,741,560	685,360,000	512,050,000
Elderly Rental Assistance/Leases	363,000,000	122,600,000	451,200,000	127,842,830	765,722,496	571,840,000
Sec. 811 Disabled Advances	271,000,000	76,405,000	102,860,000	49,938,000	281,840,000	100,450,000
Disabled Rental Assistance/Leases	246,000,000	91,940,000	100,159,000	94,701,691	325,122,688	115,710,000
Congregate Services	26,100,000	0	17,700,000	0	27,144,000	7,500,000
Elderly Indep. Sec. 8 Cert./Vouchers	(35,500,000)	(35,800,000)	(35,800,000)	(38,151,899)	36,920,000	(38,288,000)
Elderly Indep. Services	10,400,000	10,400,000	10,000,000	10,246,000	10,816,000	10,000,000
AIDS Housing Program	156,500,000	0	50,000,000	0	162,760,000	100,000,000
Mixed Populations Provisions					50,000,000	30,000,000
Title VI Subtotal	1,732,000,000	377,750,000	1,270,727,000	331,470,081	2,345,685,184	1,447,550,000
Title VII—Rural Housing:						
Sec. 502 Homeownership (Direct) Loans	1,451,100,000	527,000,000	1,245,000,000	450,000,000	1,509,144,000	1,245,000,000
Sec. 502 Unsubsidized Direct Loans		32,000,000	50,000,000	0		50,000,000
Sec. 502 Unsubsidized Guaranteed Loans		347,000,000	329,500,000	300,000,000	(?)	329,500,000
Sec. 502 Subsidized Guaranteed Loans		347,000,000	0	400,000,000		
Sec. 504 Improvement Loans	12,400,000	11,100,000	11,330,000	11,100,000	12,896,000	11,330,000
Sec. 514 Farm Labor Loans	12,500,000	16,250,000	16,300,000	16,250,000	13,000,000	16,300,000
Sec. 515 Multifamily Loans	739,500,000	341,000,000	573,900,000	341,000,000	769,080,000	500,000,000
Sec. 523 Mutual Self-help Loans	800,000	0	500,000	0	832,000	500,000
Sec. 524 Site Loans	850,000	0	600,000	0	884,000	600,000
Aggregate Loan Authority	2,217,150,000	1,621,350,000	2,227,130,000	1,518,350,000	2,305,836,000	2,153,230,000
Rural Credit Subsidy Authorizations:						
Sec. 502 Rural Homeownership Loans	272,806,000	99,076,000	234,060,000	84,600,000	283,719,072	303,158,000
Sec. 502 Unsubsidized Guaranteed Loans		3,920,000	3,722,988	5,550,000	0	6,096,000
Sec. 504 Rural Improvement Loans	5,381,600	4,817,400	4,917,220	4,817,400	5,596,864	4,578,000
Sec. 514 Farm Labor Loans	7,075,000	9,197,500	9,225,800	9,197,500	7,358,000	8,029,000
Sec. 515 Rural Multifamily Loans	381,582,000	175,956,000	296,132,400	175,956,000	398,845,488	356,550,000
Sec. 523 Mutual Self-Help Loans	102,400	0	64,000	0	106,500	0
Sec. 524 Site Loans	18,700	0	13,200	0	19,500	0
Subtotal	666,966,500	292,967,618	548,135,608	280,120,900	695,645,424	678,411,000
Rural Housing Support Programs:						
Sec. 502 Security Grants	1,100,000	0			1,144,000	1,098,240
Sec. 504 Improvement Grants	21,100,000	5,000,000	12,500,000	5,000,000	21,944,000	12,500,000
Sec. 509(c) Construction Defects Grants	600,000	0	500,000	0	624,000	500,000
Sec. 509 Project Preparation Grants	5,300,000	0	2,500,000	0	5,512,000	2,500,000
Sec. 515 Service Coordinators					such sums	such sums
Sec. 516 Farm Labor Grants	21,700,000	5,000,000	11,000,000	10,000,000	22,568,000	11,000,000
Sec. 516(k) Migrant Homeless Program	10,500,000	0	8,750,000	0	10,920,000	10,483,200
Sec. 523(l) Mutual Self-Help Grants	13,900,000	0	8,750,000	0	14,456,000	8,750,000
Sec. 533 Preservation Grants	30,800,000	10,000,000	23,000,000	10,000,000	32,032,000	23,000,000
Subtotal	105,000,000	20,000,000	58,250,000	25,000,000	109,200,000	58,250,000
Rental Assistance Payments (RAP)	414,100,000	258,000,000	308,100,000	190,200,000	430,664,000	308,100,000
Rural Prepayments/Supp. RAP	5,500,000	11,800,000	11,800,000	11,800,000	5,720,000	11,800,000
Rural Housing Vouchers		189,928,000	0	140,000,000		
Title VII total	1,191,566,500	772,695,618	926,285,608	647,120,900	1,241,229,424	1,056,561,000
Title VIII—Community Development:						
Community Development Block Grants (CDBG)	3,272,000,000	2,920,000,000	3,400,000,000	2,900,000,000	3,402,880,000	4,000,000,000
CDBG Work Study Program	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,120,000)	(3,000,000)
Historically Black Colleges	(6,500,000)	(4,500,000)	(4,500,000)	(4,500,000)	(6,760,000)	(4,500,000)
Insular Areas	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,280,000)	(7,000,000)
Comm./Univ. Partnership					(?)	(?)
CDBG Redevelopment Provision					(?)	(?)
CD Comm. Planning Adjustments					(?)	(?)
CD Reallocations and Tech. Assist.					(?)	(?)
CD Mapping Provision					(?)	(?)
Section 108 Loan Guarantees	(300,000,000)	0	(140,000,000)	0	(312,000,000)	(300,000,000)
Special Purpose/Projects Grants			150,000,000	0	17,160,000	(14,500,000)
Computerized CD Plans					(?)	(?)
Barrier Removal Strategies						15,000,000
Econ. Dev. Evaluations						1,000,000
Neighborhood Reinvestment Corp.	36,500,000	26,900,000	31,900,000	27,976,000	37,960,000	29,476,000
Neighborhood Development Demo.	(2,000,000)	0	(2,000,000)	0	2,808,000	
Title VIII total	3,308,500,000	2,946,900,000	3,581,900,000	2,927,976,000	3,442,920,000	4,029,476,000
Titles IX—Regulatory and Misc. Programs:						
HUD Research & Development	22,100,000	35,000,000	25,000,000	35,150,000	22,984,000	25,000,000
Fair Housing Initiatives Program (FHIP)	6,300,000	8,000,000	8,000,000	7,600,000	6,552,000	7,600,000
HUD Monitoring & Eval.					(?)	(?)
National Comm. on Manuf. Hsg.					(?)	(1,000,000)
National Institute of Building Sciences	534,000	0		0	0	

## COMPARISON OF AUTHORIZATIONS, APPROPRIATIONS, AND ADMINISTRATION'S BUDGET REQUESTS—Continued

	Fiscal year—						
	1992 authoriza- tion	1992 administra- tion request	1992 appropria- tions <sup>1</sup>	1993 administra- tion request	1993 H.R. 5334	1993 House ap- propriations	1993 revision, H.R. 5334
Solar Bank					(?)		(?)
National Amer. Indian Hsng Council					(?)		(?)
Titles IX total	28,934,000	43,000,000	33,000,000	42,750,000	29,536,000	32,600,000	28,354,560
Title X—HUD McKinney Homeless:							
Emergency Shelter Grants	138,000,000	71,000,000	73,164,000	17,450,000	143,520,000	17,450,000	137,779,200
Supportive Housing/Transitional Program	150,000,000	150,000,000	150,000,000	203,926,000	187,200,000	150,000,000	179,712,000
Supplemental Assistance (SAFAH) Program	30,000,000	0	11,263,000	0	(31,200,000)	0	0
Sec. 8 Assistance for SROs	82,400,000	0	105,000,000	0	89,696,000	103,926,000	86,108,160
Shelter Plus Care Program:							
II. Rental Housing Assistance	167,200,000	167,200,000	0				
III. SRO's	54,200,000	53,333,000	73,333,000				
IV. Sec. 202	37,200,000	37,200,000	37,200,000				
Revised/Consolidated Shelter Plus Care	(258,600,000)	(257,733,000)	(110,533,000)	265,902,000	269,144,000	265,902,000	258,186,240
Rural Homeless Grants					(?)		(?)
Safe Havens				50,000,000	50,000,000	0	48,000,000
Bush Exemplary Program Initiative		57,000,000	0	0			0
Title X Total	659,000,000	535,733,000	449,960,000	537,278,000	739,560,000	537,278,000	709,785,600
Title XI—New Towns Demonstration					(?)		(?)
Total	28,327,165,500	24,934,874,618	27,609,700,608	25,050,153,900	30,094,825,164	26,337,598,000	28,910,840,161
Use of Carryover Funds/Transfers			762,000,000	320,934,190	0	42,934,000	0
Use of Recaptures (Sec. 202/Other)			1,750,000,000	244,300,000	0	244,300,000	0
PHA Savings				12,000,000	0	0	0
Adjusted total	28,327,165,500	24,934,874,618	25,097,700,608	24,472,919,710	30,094,825,164	26,050,364,000	28,910,840,161
HUD Housing Programs (New BA & Without FmHA Rural)	27,135,599,000	24,162,179,000	24,171,415,000	23,825,798,810	28,853,595,740	24,993,803,000	27,719,259,910

<sup>1</sup>Provides the enacted FY 1992 Appropriations Act funding levels without adjustments for subsequent rescissions or HUD operating plan changes.

<sup>2</sup>Such sums.

<sup>3</sup>10 percent Sub. Hsg.

<sup>4</sup>All Sub. Hsg.

<sup>5</sup>\$200m. P.H. Mod.

<sup>6</sup>99 percent P.H. Mod.

ASource: Subcommittee on Housing and Community Development.

Mr. Chairman, I reserve the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the en bloc amendment. I want to commend the chairman on his willingness in the en bloc to begin to address the issues in a way that I believe will result in legislation that will be acceptable to the administration and all Members. I use the word "begin" because I believe that there are a number of issues that still need to be addressed in this legislation. However, I am confident from discussion with the chairman, that these issues can be addressed at the conference on this bill.

May I call attention to several of the amendments in the en bloc that I consider of particular importance. I want to commend Mrs. ROUKEMA for several amendments. One of Mrs. ROUKEMA's amendments would provide residents of troubled public housing with authority to hire new management to replace the PHA. While I do not believe this legislation is as far-reaching as the administration's perestroika for troubled Public Housing Program, it is a good proposal and moves in the right direction.

Mrs. ROUKEMA also has an amendment in the en bloc that would help break the logjam in public housing demolition and disposition by allowing the use of 5-year section 8 assistance as replacement housing under certain circumstances.

I also would call attention to several amendments that I worked on with Chairman GONZALEZ in the spirit of comity and compromise. In particular,

Mr. GONZALEZ accepted my amendment that would provide a 4 percent across-the-board reduction in the authorization levels. This would result in a reduction in the authorization level of the bill from \$30.1 billion to \$28.8 billion. While this is still greater than the \$26.9 billion appropriated by the House for housing programs in fiscal year 1993, I believe that this amendment recognizes the practical constraints in all of the programs facing Congress this year in this spending decisions.

I am also concerned, along with the administration, about the local match. We have a compromise here which provides a flat 20-percent match. I know the administration would like more. It was 10 percent when we started.

I want to emphasize that the local match is a key component of the HOME Program. I am confident that we will work something out with regard to the match in conference.

Another amendment that I believe deserves special attention is the amendment that ensures that multifamily housing and the Youth Sports Program receive appropriate funding under the Public and Assisted Housing Drug Elimination Program. Drugs are a problem that continues to plague this country and the Youth Sports Program, which I sponsored in the 1990 housing bill at the suggestion of Secretary Kemp, is especially deserving as it provides youths with activities that emphasize a positive and healthy lifestyle.

Finally, Mr. Chairman, I am also happy to note that the en bloc contains Mr. RIDGE's amendments to the Bank

Enterprise Act. I think this is very desirable.

I urge support of the en bloc amendment.

I would also like to take this opportunity to clarify the provisions in title VI of H.R. 5334 that address the issue of mixed populations in federally assisted multifamily housing that is designated as elderly. These provisions are intended to provide an option to owners of federally assisted multifamily housing to ensure that elderly housing remains, as its name implies, housing for the elderly.

Under these provisions, an owner of federally assisted multifamily housing would be allowed to provide a preference for occupancy in elderly housing for elderly persons. A secondary preference would be provided to handicapped and disabled families who are near elderly. Any remaining units would have to be made available for occupancy by handicapped and disabled families who are not elderly or near elderly.

This preference would be subject to the requirement that at least 10 percent of the units be reserved for handicapped and disabled families who are not elderly or near elderly. A secondary preference for occupancy under this 10 percent reservation would be for handicapped and disabled families who are near elderly. Any remaining units under the reservation would have to be made available for occupancy by elderly families. This 10-percent reservation would be modified for certain projects that currently have less than 10 percent of the units occupied by handicapped and disabled families who are not elderly or near elderly. For those projects, the minimum occupancy requirement would be percentage of units in a project occupied by handicapped and disabled families who are not elderly or near elderly as of the date of enactment or



January 1, 1992, whichever percentage is higher.

The existing Federal preferences would otherwise apply within each grouping, to the extent that they currently apply under the applicable Multifamily Housing Program. For example, an elderly family with a Federal preference would receive housing before an elderly family without a Federal preference; a near elderly handicapped or disabled family with a Federal preference would receive a preference over a near elderly handicapped or disabled family without a Federal preference; a handicapped or disabled family who is not elderly or near elderly with a Federal preference would receive a preference over a handicapped or disabled family who is not elderly or near elderly without a Federal preference.

I would like to emphasize that the use of this preference system would be at the election of the multifamily housing owner. The housing would otherwise be subject to the existing occupancy requirements under the individual programs.

This is particularly important to note with regard to elderly housing assisted under the section 221(d)(3) BMIR Program, the 236 Program, and the pre-NAHA 202 Elderly Program. Under the section 221(d)(3) BMIR Program and the section 236 Program, for housing that is designated as elderly, an owner can currently deny admission to handicapped and disabled families if they do not qualify as elderly.

This is also true for the pre-1990 section 202 Elderly Program, except that 10 percent of the units in these projects have generally been designed and designated for physically handicapped persons whose handicap results in a functional limitation in access to and use of the building. Owners are required to admit eligible nonelderly as well as elderly physically handicapped to these units. However, non-elderly physically handicapped may only be admitted if the special features of the unit are necessary based on the nature of the person's disability. For example, as noted in the committee report to the bill, a nonelderly person with a mobility impairment requiring a wheelchair or a walker would be eligible for one of these units because of the need for the accessibility features of the unit. A nonelderly person whose only disability is chronic mental illness would not be eligible. Only persons or families whose head is a person 62 years of age or older would be eligible for the other 90 percent of the units in a pre-1990 section 202 elderly project.

I believe that the provisions in title VI of H.R. 5334 are a positive approach to the issue of mixed populations in public and federally assisted multifamily elderly housing. I would also like to add that title VI contains provisions for supportive services and service coordinators, and other provisions to ensure that an adequate supply of housing remains affordable and available to elderly, handicapped, and disabled persons.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in support of the overall bill and in support of the en bloc amendments, a major compromise that has achieved sound bipartisan support for this meas-

ure. I commend the chairman and the ranking member and those who participated in the negotiations of this measure. While I have strong feelings about elements of this bill, and certain policies, clearly I think the compromise the committee has achieved here will facilitate the passage of this important housing authorization and community development bill.

Mr. Chairman, I rise in support of H.R. 5334, the Housing and Community Development Act of 1992. This bill, as amended today, will provide nearly \$30 billion in housing and community development assistance and will reauthorize and extend programs of the National Affordable Housing Act of 1990.

These are harsh economic times and housing needs are great. About 28 million Americans live in poverty and only about one-third of them receive any Government housing aid. Almost 10 million Americans are unemployed. In 1989, more than 8 million very low-income renters either lived in substandard housing or paid over 30 percent of their income for housing. Perhaps as many as 3 million live on our streets every year. This is certainly a far cry from decent safe sanitary affordable housing for all Americans. We need this legislation.

H.R. 5334 is the result of numerous hearings and hard work by the Housing Subcommittee that has brought this substantial legislation to the floor today. The bill contains many provisions and programs that I support and I would like to highlight just a few.

Importantly, this bill has maintained a provision to repeal the 57 percent limitation on the financing of closing costs on FHA mortgage insurance imposed by regulatory fiat by HUD. This is a small step to take to begin the process of rebuilding the strength of FHA business and ultimately the FHA fund. The FHA Program that in 1989 afforded 450,000 first time buyers the opportunity to purchase a home is in distinct and direct jeopardy of becoming extinct. Today the FHA's powerful countercyclical force is being limited. Despite the Bush-Kemp rhetoric on empowerment and ownership when it comes to their favorite target, public housing, the FHA Program, which has served to build the American dream for nearly 60 years, is being hobbled.

Some may argue and rewrite the 1990 legislative history and that this change will jeopardize the MMI fund. I disagree. The initial limits on allowable closing cost financing were included within the loan to value ratio in the 1990 housing law. FHA will never meet any capital standards if it doesn't attract business. Its market share has dropped significantly, some 12 percent as a result of HUD draconian implementation of the 1990 reforms. The FHA insurance fund must market itself and the removal of the 57-percent limitation will simplify and streamline

FHA to restore it as an attractive alternative for mortgage insurance.

H.R. 5334 also addresses the thorny issue of mixed age and ability populations in public and federally assisted housing.

In response to concerns around the country the Banking Committee has carefully crafted a new policy regarding mixed populations in public and assisted housing. This compromise will allow for elderly only housing while maintaining the responsibility of public housing authorities [PHA's] to house all those in need on their waiting list. For many, public housing is the only opportunity for decent, safe, and affordable housing. This plan gives PHA's the ability to provide appropriate housing alternatives, including some mixed buildings, scattered-site houses, or smaller apartment buildings along with appropriate services and staffing. Additionally, the bill provides an option for assisted housing programs to adhere to a similar type of program voluntarily.

This legislation reauthorizes several other important housing programs including public housing, section 8 assistance, supportive housing for the elderly under section 202 housing, the Congregate Housing Services Program, and the neighborhood housing services programs and others under Neighborhood Reinvestment Corporation. It continues to substantiate work of the Congress in 1990 on the preservation, or prepayment issue for low-income housing.

H.R. 5334 will reauthorize that essential workhorse of cities, the community development block grant. It also continues the new home investment partnership block grant with a reduced match to greater facilitate its access to economically stressed cities and States. Rebuilding and strengthening our communities is absolutely essential to show our commitment to a new and competitive United States.

As my colleagues are aware, this comprehensive housing bill contains the majority of the housing and shelter programs included in my bill, H.R. 4300, the Stewart B. McKinney Homeless Assistance Amendments Act. In fact, the programs that are not duplicated here are the Interagency Council for the Homeless and the Federal Emergency Management Agency's Emergency Food and Shelter Program. They will be passed in the McKinney bill.

I had hoped that by now we could have moved beyond the McKinney Act. Unfortunately, homelessness persists—a tragic consequence of the excesses of the 1980's and a precursor of the 1990's if changes are not made—if you will, the human deficit left behind by the misplaced priorities of the last decade.

In addition to reauthorizing existing programs such as emergency shelter grants, and the section 8 SRO, both this bill and H.R. 4300 also will create

new programs targeted toward specific needs of rural homeless persons and mentally ill homeless persons. Other McKinney programs will now be consolidated into two programs.

The new programs—the rural homeless demonstration grant, Farmers Home Property Disposition for the Homeless and the Safe Havens Program—work to better target homeless assistance to rural areas. Safe havens is a bipartisan response to a Federal task force report on homelessness and severe mental illness "Outcasts on Main Street." With Safe Havens, we have created a program that should respond to the special concerns and unique needs of the mentally ill homeless, especially those people that have been reluctant to seek assistance up until now.

The consolidation of programs affects five current McKinney programs. Supportive housing and SAFAH will be merged—preserving the current flexibility of SAFAH and the eligible activities guidelines of supportive housing, while simplifying the process of applying for funding. The same can be said for the shelter plus care consolidation which should help providers more easily access programs.

The bill also breaks new ground for homeless assistance programs by providing guidelines for employment by programs, and consultation and/or representation of homeless or formerly homeless persons with or on the policy making entities of programs that receive McKinney assistance. This kind of involvement can only further improve these programs in meeting the diverse needs of the people they serve while also providing for additional needed skills or experience to those same persons.

Mr. Chairman, I urge my colleagues to support this bill.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. EDWARDS], a member of the Committee on the Judiciary, who will speak with respect to an amendment in the en bloc amendments.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman for yielding me this time. I will not take the full 2 minutes.

Mr. STEARNS' proposed amendment would require the Secretary of Housing and Urban Development to draft regulations that define terminology in the Fair Housing Act. I recognize the importance of drafting useful regulations. However, while considering this amendment, I believe it is important to stress the policy underlying the Fair Housing Act as amended in 1988 and the commitment we undertook at that time to protect families with children from housing discrimination.

A HUD survey conducted in the 1980's highlighted the rampant discrimination that prevented many families from participating in the housing mar-

ket. For example, 75 percent of the rental units surveyed by HUD either barred or restricted families with children. In 1988, we amended the Fair Housing Act to address that problem. The 1988 amendments struck a balance between banning housing discrimination against families with children while allowing senior citizens to live in bona fide housing for older persons. The legislation intends to ensure that older persons receive the services they need, and also to ensure that communities do not falsely claim to be housing for older persons just to keep children away.

Thus, should we enact this legislation, I urge HUD to draw careful and clear standards that uphold the intent of the Fair Housing Act Amendments of 1988. In an effort to clarify the Fair Housing Act, we cannot victimize families with children again.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the en bloc amendment.

I want to commend the chairman of the committee for his willingness to expedite consideration of this housing bill by agreeing to accept several amendments, including those sponsored by myself and other Republican Members, the gentleman from Florida [Mr. STEARNS], the gentleman from Pennsylvania [Mr. RIDGE], the gentleman from California [Mr. RIGGS], the gentleman from Ohio [Mr. KASICH], and the gentleman from Ohio [Mr. WYLIE], as part of the leadership amendment.

In particular, I want to recognize the fact that three of my initiatives have been incorporated into the amendment. These initiatives include:

#### PUBLIC HOUSING REPLACEMENT

Mr. Chairman, in partnership with the gentleman from Massachusetts [Mr. FRANK], my first amendment would change existing law regarding the ways in which public housing authorities can replace their uninhabitable vacant units and units scheduled for demolition.

My amendment would add to the current list of eligible replacement options a 5-year project based on 5-year tenant based certificate for the replacement of units demolished in quantities greater than 200 units.

Currently, there are well over 50,000 vacant public housing units in the inventory. HUD even estimates that the number is closer to 100,000.

Excessive vacancy rates can be attributed to a whole host of reasons ranging from inadequate modernization funding; to poor management; to the current 1-for-1 replacement law.

This amendment does not mandate that 5-year certificates be used. It merely provides another option for replacement.

For those Members who have large cities with large public housing authorities who have thousands of vacancies, this change will help provide decent housing for low-income people.

Again, I thank Mr. FRANK for his willingness to work this out.

#### CHOICE IN MANAGEMENT

My second amendment is similar to the one I offered in committee and again is offered in a bipartisan spirit through the efforts of Mr. FRANK.

This amendment guarantees the residents living in troubled housing projects within a troubled housing authority the right to choose the management of their development from among nonprofit, public, and private groups if they feel the current PHA is not meeting their needs for safe and decent housing.

This provision is limited to the most distressed PHA's, as determined by the new Public Housing Management Assessment Program.

Under this program, resident councils in eligible developments or buildings would apply to the PHA for approval to transfer management of their development to alternative managers. This is an empowerment initiative, if you will.

In summary, this proposal would allow the residents to decide to try alternative management when they feel their needs are not being met by the housing authority.

#### SUBSIDY FOR VACANT HOUSING UNITS

Mr. Chairman, my third amendment was intended to add some teeth to the Vacancy Reduction Program we included in the Housing Act of 1990 by helping to eliminate excessive vacancies in public housing and to save the taxpayer some money.

As my colleagues know, Federal subsidy in the form of operating expenses is paid to public housing authorities on the basis of the number of housing units they own and operate, regardless of whether they are occupied or not. This policy makes no sense.

My amendment provides that 2 years after the submission of such a vacancy reduction plan and the provision of funds by HUD to carry out the plan, HUD may withhold up to 80 percent of the annual subsidy paid for each vacant unit in a PHA if progress is not being made. Those funds in turn would be placed in a new account in the name of the PHA to be used to carry out the provisions of the plan.

In other words, the operating subsidy would not be taken away from the PHA but would be targeted to the rehabilitation of those very same units for which they receive subsidy.

Finally, I want to commend the chairman for including in this amendment amendments which address barriers to affordable housing; a change in the HOME match; property disposition for the homeless; and the additional reduction in the overall funding levels for the bill.



I believe these amendments are all positive and would urge bipartisan support and passage. This will become law this year.

I urge adoption of this en bloc amendment.

Mr. GONZALEZ. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I rise in support of H.R. 5334 and commend the committee for bringing this legislation to the floor.

I would especially like to thank the distinguished chairman of the committee, Mr. GONZALEZ, for including an amendment I authored in his en bloc amendment.

This provision will help qualified, disabled veterans secure better access to housing under the Federal section 8 rental subsidy program. In doing so, we are taking a humane step and a fiscally prudent one as well.

These veterans are currently on waiting lists for section 8 vouchers and certificates. However, they are repeatedly passed over for subsidized housing because HUD has held that they do not meet Federal preferences. As a result, they are currently being maintained in VA hospitals and nursing homes, at great cost to the Federal Government, solely because their disabilities make their own homes inaccessible. By including inaccessibility as part of the definition of substandard housing, we will make them eligible for Federal preferences. This will make it possible for them to have their own homes once again.

Since these individuals are already on waiting lists for federally subsidized housing, the amendment would not cause any additional cost. In fact, it would save the Federal Government hundreds of thousands of dollars because it is far less costly to house an individual under the section 8 program than in a hospital or nursing home. In New York State, the average cost of a section 8 voucher is \$300 per month. This is far lower than the cost of keeping an individual in a VA hospital, which on average costs \$396 per day.

I thank the chairman for his assistance in helping to remedy this problem.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I rise in very strong support of the gentleman's bill.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY], our distinguished chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the en bloc amendments, and the amendment offered by the gentlewoman from New York [Mrs. LOWEY]. The gentlewoman is to be commended for identifying a problem facing a number of veterans who are hospitalized or reside in nursing homes and have a disability which prevents them from returning to their own homes, solely because of the home's

configuration. The gentlewoman's amendment will help these veterans obtain assistance for a unit designed for the handicapped. This amendment is narrowly drawn to ensure that veterans who truly need this assistance will be eligible to receive it.

Mr. Chairman, I want to thank the chairman of the Committee on Banking, Finance and Urban Affairs, the distinguished gentleman from Texas [Mr. GONZALEZ] for agreeing to this amendment. The gentleman has been a supporter of veterans programs and a friend of the veteran community for many years, and for that, I am very grateful.

I also want to thank the ranking minority member of the committee, the gentleman from Ohio [Mr. WYLIE] who also serves as a ranking member of the Committee on Veterans' Affairs. The gentleman from Ohio has always looked out for the disabled veteran and I thank him for his support on this amendment.

Mr. WYLIE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, as I stated a little earlier, this is a group of amendments which the chairman and I worked on together. I attempted to address all of the administration's requests in the statement of administration policy. Unfortunately, the administration policy statement did not come to me until after the Committee on Rules hearing yesterday. But we had already discussed several of them.

We have addressed directly four of the eight problems which the administration has. We know that they have expressed some concern about inadequate funding for the HOPE Program. We do have \$400 million in there for that program now, which is a move in the right direction, and we will try to get some more for that program later on.

We did reverse the 57-percent requirement on closing costs. The reason for that, in part, is because the same provision was in the VA-HUD appropriation bill last week and passed overwhelmingly there. We were not able to get enough votes in our Banking Committee or in the Subcommittee on Housing to retain that language. We had to be realistic about it.

The realtors, the homebuilders, and the mortgage bankers are all opposed to that right now and seem to think that the FHA program will work better without it and that the mutual mortgage insurance fund will be adequate without that. I suppose we will have to wait and see.

We do increase the FHA mortgage limits, but again, that is the same as was in the VA-HUD bill last week, to \$151,000. I think that is realistic.

We made a compromise on the home match issue.

On the other issues, we were able to take care of the administration's concerns.

I think we have gone a long way, and I would hope that the administration would suggest an "aye" vote, or I would suggest to the President that he sign the bill when it comes up.

Mr. Chairman, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Chairman, I rise in support of the committee bill, most especially the provision in title I that deals with the mixed-housing issue as it affects senior citizens' apartments across this country. I think the committee has done good work to come to a resolution of the problem.

Mr. Chairman, I support H.R. 5334, because it addresses the biggest problem facing public housing in this country today. Chairman GONZALEZ, Congresswoman ROUKEMA, and Congressman KLECZKA deserve great credit for their efforts in finding a workable solution on this issue.

Since the days of President Franklin Roosevelt, this Nation has had an affordable housing program for our citizens. Since that time, this country has felt, as a matter of policy, that it was appropriate for public housing agencies to designate buildings for elderly tenants over the age of 62.

Especially in the past few years, different laws and regulations have crept onto the books which have gutted that policy. Just Monday, we read in the *New York Times* of the problems that have developed by mixing elderly and nonelderly populations in public housing. It has caused crime—fear—and a sense of a loss of security by the elderly in their own homes.

Whatever the reasons for this foolhardy and misguided policy, H.R. 5334 takes a major step to correct it, while protecting the rights of the nonelderly. The bill, first and foremost, sensibly redefines the word "elderly" in the United States Housing Act to mean people who are 62 years old or older. Then, it provides that public housing agencies may designate buildings as being available only for elderly tenants.

The bill provides unprecedented choice in housing for nonelderly tenants. There are set-asides of section 8 certificates and vouchers. It preserves tenants' status on an agency's waiting list for section 8 assistance. It requires public housing agencies to develop an allocation plan to show HUD how they will house the nonelderly. It sets aside major reconstruction funds to reconfigure projects to better suit the disabled. Finally, this legislation also addresses the issue of mixed populations in federally assisted housing programs, such as section 8 projects, and old section 202 projects. The bill is a comprehensive solution to this problem, which I first identified last year on introduction of H.R. 3425.

After the introduction of H.R. 3425, Congressman KLECZKA introduced H.R. 4435. The compromise before us today reflects, in my view, the best efforts and the best blend of the two bills. It is a well-thought-out, workable policy, and I appreciate the efforts of the Housing

Subcommittee members, most especially GERRY KLECZKA, MARGE ROUKEMA, BARNEY FRANK, RICHIE NEAL, and FLOYD FLAKE to solve this problem. I urge support for the bill.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. ERDREICH] for a colloquy.

Mr. ERDREICH. Mr. Chairman, as you know, I successfully offered an amendment in full committee that expands the owner's ability to evict section 8 tenants who have engaged in criminal activity. We all know the importance of the section 8 program, but it is also important that criminal activity not be tolerated in section 8 dwellings threatening other residents and communities surrounding that dwelling.

Mr. Chairman, I want to make clear that these important provisions we add to the bill do not preempt or in any way alter existing rights or causes of action that might exist under Federal, State, or local law.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. ERDREICH. I am happy to yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, the gentleman can be assured that these provisions do not preempt any existing causes of action under Federal, State, or local law, and that is my interpretation of the effect of these amendments.

Also, please note, however, that it is the committee's intent to protect innocent family members not associated with criminal activity. Innocent family members should not be held responsible for the criminal activities of others, and their rights for housing assistance should be protected.

Mr. ERDREICH. I thank the chairman. This will give all interested parties, the owner, the neighborhood, and local government officials, the opportunity to take corrective action to help protect and preserve our neighborhoods from criminal activities of the few.

Mr. WYLIE. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I rise in support of this amendment, which is a positive step for thousands of seniors around the country who live in adult communities.

Members will recall that the Fair Housing Act of 1988 recognized the need to protect adult-only communities from the bill's antidiscrimination requirements. As I knew then and we should all know by now, however, the criteria used to determine whether a community merited an exemption are seriously flawed. The worst feature is the so-called significant facilities requirement, which was never adequately defined in the law or regulations that followed. For many adult communities, complying with this shadowy concept has been an absolute nightmare.

This has been especially true in south Florida. Hundreds of citizens

have already had to hire lawyers to defend their adult communities against charges of discrimination, and still more live with the constant worry of having to do so.

To give you an example of the extent to which these lawsuits have gone, in one suit in Federal court over 80 defendants were named, most of whom were merely volunteer members on the board of directors. It is prohibitively expensive for these communities to defend themselves in court, and there is virtually no insurance coverage available against such suits. That's obviously not fair.

People who live in adult communities need some reassurance that they can live their lives in peace and quiet, as the supporters of the 1988 Fair Housing Act promised. That hasn't been the case up to now, and it's time to follow through on our promise to seniors who want to live in adult settings.

I would like to say that passage of this amendment alone will provide for that, but in all honesty it would not. By requiring the Secretary of Health and Human Services to define "significant facilities," it is a step in the right direction, but only a step. Other measures—such as determining what significant facilities, if present, merit exemption, or some other precertification procedure—should be investigated.

No hearings have been held on these points since the passage of the Fair Housing Act, and I believe the time has come to take a close look at what has become a serious problem in many parts of the country. I call on the distinguished chairman of the Judiciary Civil and Constitutional Rights Subcommittee to consider holding a hearing on this important matter, either in the remaining days of the 102d Congress, or early next year.

Mr. Chairman, I urge all Members to support the Stearns amendment, which is a step in the right direction, but again, only a step.

□ 1410

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Chairman, I rise in support of the bill. I would also like to call special attention to title VI, housing for elderly persons, handicapped persons, and persons with disabilities, as it would give public housing agencies the flexibility to implement policies that will provide all residents more livable conditions than exist today. This section gives our Nation's seniors, handicapped, disabled individuals, and other eligible groups better access to appropriate public housing and needed services.

Too many seniors are afraid to live in high rises originally built for senior citizens. Changing situations in the 1980's opened senior high rises up to other groups including mentally ill and handicapped occupants. A problem arises when neither HUD nor the cities have the abil-

ity to provide the services and staffing needed by such a mixed population. My district, Minneapolis, has been plagued with a variety of serious problems in these buildings including a few homicides. Because of these problems there has been a rapid decline in the senior populations of its high-rise buildings. Currently, only 46 percent of the public housing tenants in Minneapolis are elderly, over 62, and of the 1,216 high-rise applications currently in progress, just 7 percent are elderly. Clearly, this mixture of senior citizens and handicapped/disabled persons poses serious problems and these problems become more serious as the senior population gets older. Further, handicapped and disabled people are being housed with no thought given to their unique needs.

In spite of this crisis, HUD has refused to allow any efforts to draw distinctions among public housing residents, with one exception. HUD has permitted or encouraged an exception that isolates families with children from all other populations. HUD takes the position that Federal law forbids either elderly only projects or special needs facilities in public housing. Rather HUD takes the position that Federal law requires the mixing of elderly and non-elderly public housing populations. Yet, every civil rights law, including the Fair Housing Act, permits age-distinct housing.

The provision we are discussing in this bill would improve the lives of all people eligible to live in these homes. It solves the problems of mixed populations by letting local authorities offer increased choices for all eligible residents and applicants. Public housing authorities should be able to tailor their available housing to the needs of their local populations. HUD should provide general and technical guidance, but must allow the local authorities flexibility to provide housing to all eligible groups while protecting their rights.

In order to meet the diverse housing needs across the country, local authorities must be able to offer age-distinct housing as an option. It has been shown that age-distinct housing offers a number of benefits. It only makes sense that people with unique needs or requirements be given the option to live together.

I want to emphasize that this change would provide a range of living options to all eligible residents, and would not displace anyone or force people to move against their will. Residents meeting the terms of their lease will have the right to stay where they are. The provision would not change that. It will, however, give all residents, current and future, the opportunity to select housing more appropriate to their needs.

Mr. Chairman, title VI is the beginning of a solution to a very distressing problem. I urge my colleagues to support H.R. 5334.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. HOAGLAND] for a colloquy.

Mr. HOAGLAND. Mr. Chairman, one of the most unsettling problems we have in public housing today is caused by combining elderly, handicapped and disabled residents in the same building.

Now, we attempt to address that problem in this legislation, but it is



important to the greatest extent possible to give the elderly their own buildings, and it is important to the greatest extent possible to give building management and project owners the discretion, as much discretion as possible in deciding who should live in these residences.

In that connection, Mr. Chairman, I would like to ask about the meaning of a sentence which appears on the top of page 141 of the committee report, and that sentence states:

The Committee does not intend that the 10 percent reserve be considered a ceiling, should the waiting list reflect a greater need or should the owner be able to provide appropriate housing with supportive services to a greater number of persons or families with disabilities or handicaps.

Mr. Chairman, does this language require a project owner to exceed the project's reserve requirement in those circumstances, or is the decision whether to exceed the reserve solely in the discretion of the project owner?

Mr. GONZALEZ. It is permissive, and the decision whether to exceed the reserve requirements is solely in the discretion of the owner.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I rise in strong support of this amendment, especially in light of the remarks of my colleague, the gentleman from Florida [Mr. SHAW] with reference to the definition of significant facilities in elderly housing.

Mr. WYLIE. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I will make a part of the RECORD the clarification of my amendment on housing for older persons, and I thank my colleagues from Florida for their accommodation on my amendment.

Mr. Chairman, I rise to thank Chairman GONZALEZ and Mr. WYLIE, our ranking member on the Banking Committee, for accepting my amendment regarding the Fair Housing Amendments Act.

Currently, under provisions of the Fair Housing Amendments Act, older Americans are supposed to have the right to live in seniors facilities without fear of violating age discrimination statutes. This exemption was designed to recognize the special needs of our older citizens and is truly in keeping with the spirit of the law.

In practice, however, this exemption has failed to work effectively because of the vague nature of the "significant facilities and services" requirement. Members from both sides of the aisle have expressed interest in addressing this vital issue. I have worked closely with my colleagues from Florida, Mr. SHAW and Mr. BACCHUS, to develop language to address this issue. The Judiciary Committee maintains primary jurisdiction in this area, but Representative DON EDWARDS has accommodated my concerns regarding this legislation. I am pleased to bring this amendment to the floor with his cooperation.

In my district there are numerous retirement apartment and condominium complexes facing lawsuits over their compliance with the Fair Housing Act. The problem is that HUD has not spelled out for these communities exactly what they need to do to comply with the law. My amendment will force HUD to cut the red tape and tell these people exactly what is expected of them.

I believe every American should have equal opportunity and equal rights for housing. But Congress has recognized that older Americans have special needs and included an exemption under the law for facilities that serve older Americans on a virtually exclusive basis. These communities provide seniors with quiet surroundings, crime and traffic-free neighborhoods and a social structure targeted toward their needs.

Older Americans who wish to live in peaceful, safe communities should not have to spend years in court to preserve their right to do so. My amendment will force HUD to define what the significant facilities and services requirement, so that the people in these communities can meet the requirements and get on with their lives.

Once again, I thank Chairman GONZALEZ and Mr. WYLIE for their assistance in developing this amendment and including it in the en bloc amendment. I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I rise in strong support of the legislation and this amendment.

I want to thank the gentleman from Texas [Mr. GONZALEZ], the committee chairman, and my friend and colleague, the gentleman from Ohio [Mr. WYLIE] for the inclusion in this set of technical amendments language that I think will help us set up in the next Congress a meaningful and nontraditional way of trying to go about to address the social and economic problems in the inner city areas.

A year and a half ago our colleague, the gentleman from New York [Mr. FLAKE] and I developed some legislation entitled the Bank Enterprise Act, which looked to help the inner cities find a new source of revenue, a new source of capital, a new source of economic development.

What we designed was a means of using community reinvestment dollars to set up community development corporations and community development banks. We needed some technical language to promote that, to get the FDIC to draft it as we prepare for next year in an appropriations battle.

I want to thank these gentlemen for including it in their technical amendments.

On a personal note, since it is the last opportunity we have to speak on a housing authorization bill, I think it is appropriate for me to say to my good friend, the gentleman from Ohio [Mr. WYLIE], whom I admire and respect a great deal, that during the past several

years with the gentleman from Ohio working on these issues dealing with housing and economic development, it has been a pleasure to work with the gentleman from Ohio, because he has been responsive and accessible to not only our side of the aisle, but I think to his friends on the other side of the aisle. He has helped us look for new and different ways to attack the problems of housing and social and economic development, and I just want to tell my friend how much I have enjoyed my friendship and relationship with him and wish him well.

I want to say thank you to my friend, the gentleman from Ohio [Mr. WYLIE].

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in support of the en bloc amendments and the Housing and Community Development Act. This is a piece of legislation that addresses one of the most troubling problems facing residents of public and federally assisted housing, the problem of mixed population housing.

Last summer, in New Haven, CT, an elderly public housing resident was killed in her apartment by a nonelderly resident. This painful tragedy created a reaction of fear and resentment among the elderly population not only in Crawford Manor, where this incident took place, but throughout the city. I held an informal hearing in New Haven to discuss this issue, and learned that the problem was widespread—affecting communities throughout Connecticut and the Nation.

I commend Chairman GONZALEZ and the gentleman from Wisconsin [Mr. KLECZKA], who authored the mixed housing amendment, for finding a fair and effective method of dealing with this complex issue. The mixed housing provisions of this bill will give public housing authorities and owners of federally assisted housing the tools necessary to protect our elderly populations without compromising the availability and quality of housing for nonelderly disabled residents.

We must ensure that public and federally assisted housing is safe for all residents. This legislation will begin the process of restoring the critical sense of comfort that all residents are entitled to.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Chairman, as a member of the committee and having worked very hard on this bill, I want to commend the chairman and the ranking minority member. I rise in support of the bill.

Mr. Chairman, I laud Chairman GONZALEZ, my colleagues on the Banking, Finance and Urban Affairs Committee, and the staff of the Housing and Community Development Subcommittee for developing a housing bill that is

sensitive to the housing needs faced by our Nation's urban and rural low income, elderly, first-time home buyers, and homeless populations. In addition to enhancing existing programs, innovative and socially redeeming new programs, such as the HOPE for Youth: YouthBuild Program have been authorized.

Programs such as YouthBuild achieve two purposes—the creation of new affordable housing to meet the shelter needs of the low-income and the homeless, and the engagement of local disadvantaged youth in meaningful employment through the construction of such housing. Not only will these youths be acquiring valuable skills and training, but they will also have the opportunity to engage in socially redeeming work in their own communities. Such programs, where the disadvantaged see the fruits of their own labor benefit their communities, can instill values and a sense of accomplishment that will assist them throughout their lives.

During subcommittee mark up I successfully introduced an amendment that ensures that low and very low income persons are employed in local construction projects that receive HUD funds. This amendment, like the YouthBuild Program, ensures that local, disadvantaged individuals are extended the opportunity to participate in constructive work experience, while acquiring new and marketable skills.

Contracts awarded for work performed in connection with a housing rehabilitation, housing construction, or other public construction project are given to business concerns that provide economic opportunities for low and very low income persons residing the area where the assistance is expended.

First-time homebuyers, too, will benefit from this bill, through changes to the Federal Housing Administration's [FHA] home loan program. The FHA's maximum limit for insuring single-family home loans has been raised to ease the burden of purchasing homes in areas of the nation burdened with higher costs of housing—areas that do not preclude smaller cities like my own, Baltimore. First time homebuyers will also benefit by increases in the FHA's limit on closing that may be financed.

Through my efforts, improvements in the Nehemiah Housing Opportunity Grants Program were accomplished. Specifically, changes were implemented in the resale provisions affecting this program, which has been implemented in over 45 cities across the country.

The Community Development Block Grant Program, funded through the housing authorization, serves as a cornerstone of neighborhood revitalization and development in our nation's cities and towns. The flexibility of this invaluable program allows communities to develop their own innovative solutions to the specific needs they face. This program, and in turn our commitment to community development, demands our support, especially as our Nation continues to be mired in deep recession.

The McKinney provisions—provisions that are vital to sustaining the programs that address the needs of America's homeless—are a significant component of the housing authorization. These provisions have been expanded to include new approaches to the problems of

the homeless, through efforts such as the Shelter Plus Care and the Safe Havens Programs. The continuance of existing programs are also ensured by this bill.

Rural homelessness, too, is addressed through the McKinney provisions. Specifically, rural homeless assistance grants will provide assistance in the form of rent or mortgage assistance, short-term emergency lodging, funds for home repairs and rehabilitation, and other supportive services.

The McKinney provisions also make it possible for the homeless to engage in paid employment—by requiring organizations receiving McKinney funds to hire homeless persons to conduct their efforts.

The Housing and Community Development Act continues a trend of increased attention to our Nation's public housing and a reversal of the neglectful patterns established in the 1980's. Housing can no longer receive 0.7 percent of the Nation's budget, as it did in the Reagan era. The funding allocated in the 1992 housing authorization indicates a recognition by this Nation's policy makers of the urgent need to make accessible to all Americans decent and affordable shelter.

Income should not be the sole determinant in an individual's access to housing. Shelter is one of the most fundamental needs we face, and provides individuals with a necessary foundation upon which can be built meaningful participation in society. Without shelter, employment, healthy family lives, community participation, indeed all aspects of constructive interaction in society, cannot be accomplished. Let us today support the Housing and Community Development Act and help improve the welfare of those in our nation seeking affordable and decent housing, be it through first-time homeownership, safe and clean public and subsidized housing, or shelters for the homeless.

Mr. GONZALEZ. Mr. Chairman, I want to close by simply expressing again my profound thanks to all of the Members here who made it possible to forge this compromise legislation.

When the gentleman from Pennsylvania [Mr. RIDGE] spoke earlier, he reminded me that he has been one of the most aggressive and progressive and constructive members of the committee and of the subcommittee.

Part of this en bloc amendment is the contribution of the gentleman from Pennsylvania [Mr. RIDGE] and the gentleman from New York [Mr. FLAKE] in a very important way.

I am also reminded of the gentleman from Ohio [Mr. KASICH] who spoke earlier during the rule consideration, who also has contributed to this en bloc amendment, and very constructively so.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Texas [Mr. GONZALEZ].

The amendments en bloc were agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. McNULTY) having assumed the chair, Mr. HEFNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5334) to amend and extend certain laws relating to housing and community development, and for other purposes, pursuant to House Resolution 537, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. STEARNS

Mr. STEARNS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. STEARNS. Yes, I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. STEARNS moves to recommit the bill (H.R. 5334) to the Committee on Banking, Finance and Urban Affairs, with instructions to report the same back to the House forthwith with the following amendments:

Page 9, strike lines 3 through 6 and insert the following:

"(i) for public housing grants under subsection (a)(2) for Indian housing, \$247,312,000;"

Page 135, line 25, strike "\$100,000,000" and insert "\$249,370,000".

Page 136, line 6, strike "\$100,000,000" and insert "\$249,370,000".

Page 136, line 13, strike "\$200,000,000" and insert "\$498,740,000".

Mr. STEARNS (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1420

Mr. STEARNS. Mr. Speaker, I would like to rise today to raise the concerns of many Members from my side of the aisle regarding this legislation.



While there are many important housing programs in this bill, I must express my concern that we are moving away from some of the principles that made the National Affordable Housing Act of 1990 such a landmark piece of legislation.

In particular, this legislation has limited the authorization for Secretary of Housing and Urban Development's Jack Kemp's innovative HOPE Program to \$400 million. This initiative is designed to make the dream of home ownership a reality for those poor Americans who take on this challenge and responsibility. The HOPE Program has existed for only 2 years, and we have yet to provide adequate funding for its implementation.

Mr. Speaker, I ask all my colleagues to read the dissenting opinion by the Secretary in the piece of legislation.

Mr. Speaker, HOPE is new, it's a bold approach to our Nation's housing problems. I know it's easier to continue programs that already exist than to make new ideas a reality, but we cannot abandon those less fortunate Americans who dream someday of owning their own home.

This authorization sends a message that the HOPE Program is on its way out. The hopes and dreams it has fanned will be extinguished and it will be back to business as usual. I hope that the final version of this bill will not send this message.

At the conclusion of debate, I will be offering a motion to recommit this bill to increase the level of funding for HOPE. I hope this step backward can be corrected, and the good things in this bill can be preserved.

I congratulate the gentleman from Texas, Chairman GONZALEZ and, of course, my ranking member, the gentleman from Ohio [Mr. WYLIE]—whom we will all miss—and the gentlewoman from New Jersey [Mrs. ROUKEMA], on bringing this legislation to the floor.

Mr. Speaker, this motion incorporates two of the five amendments Mr. WYLIE filed on behalf of the administration. Increase HOPE funding with an offsetting adjustment from funding non-Indian public housing.

This motion to recommit would, therefore, increase the HOPE funding from the \$400 million authorized in the reported bill, to \$997 million, which is close to the President's request of \$1 billion. In order to maintain the aggregate funding level of \$28.8 billion, recognizing the Wylie 4 percent reduction included in the en bloc amendment, an offsetting adjustment of \$597 million is made from funding for non-Indian public housing.

I tell all my colleagues, particularly on my side of the aisle, now is the time to vote for this motion to recommit, to send a message out to America that we need to have HOPE as a part of this program and a part of the American dream.

Mr. GONZALEZ. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore. (Mr. McNULTY). The gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise in strong opposition to the motion. The fact is that the HOPE programs are currently in this bill being authorized. The effort in our bill to increase the supply of affordable housing for the very-low-income and to improve the lives of those in public housing is exactly shaped in such a form as to give room to live, unlike the appropriation bill last week for the HOPE Program.

We are those who partook in the formation and adoption of the HOPE Program in the 1990 act. So we would not have any reason at this time to try to eliminate it.

However, it is still a relatively untried program—it is less than 2 years old—other than some technical assistance and capacity-building tryouts. So we think the level of authorization, in view of the fact that the Appropriation Committee totally blocked it out, keeps the program alive and then we simply have to work on the appropriating process.

What has happened here is that the Secretary of HUD has become very, very angry because he has not received the appropriated funds level that he has been seeking. We cannot help that. I do not think that should then be taken out on our substantive, or our authorization bill here.

So I would strongly urge a "no" vote on this motion.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. STEARNS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage. So this vote may be followed by a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 147, nays 277, not voting 10, as follows:

[Roll No. 365]

# YEAS—147

Allard	Grandy	Nussle
Allen	Gunderson	Oxley
Archer	Hall (TX)	Packard
Armey	Hancock	Paxon
Baker	Hansen	Penny
Balenger	Hastert	Petri
Barton	Hefley	Porter
Bateman	Henry	Pursell
Bentley	Herger	Quillen
Bilirakis	Hobson	Ramstad
Bliley	Hollaway	Ravenel
Boehler	Hopkins	Ray
Boehner	Horton	Regula
Broomfield	Houghton	Rhodes
Bunning	Hunter	Riggs
Burton	Hutto	Rinaldo
Callahan	Inhofe	Ritter
Camp	Ireland	Roberts
Campbell (CA)	James	Rogers
Chandler	Johnson (CT)	Rohrabacher
Clinger	Johnson (TX)	Roth
Coble	Kasich	Santorum
Coleman (MO)	Klug	Saxton
Combest	Kolbe	Schaefer
Coughlin	Kyl	Schiff
Cox (CA)	Lagomarsino	Sensenbrenner
Crane	Lent	Shaw
Cunningham	Lewis (CA)	Shays
Dannemeyer	Lewis (FL)	Shuster
Davis	Lightfoot	Smith (NJ)
DeLay	Lipinski	Smith (OR)
Doolittle	Livingston	Smith (TX)
Dornan (CA)	Lowery (CA)	Solomon
Dreier	Machtley	Spence
Edwards (OK)	Marlenee	Stearns
Emerson	Martin	Stump
Ewing	McCandless	Sundquist
Fawell	McCollum	Thomas (CA)
Fields	McCrery	Upton
Franks (CT)	McDade	Vander Jagt
Galleghy	McEwen	Vucanovich
Gallo	McMillan (NC)	Walker
Gekas	Meyers	Weber
Gilchrest	Michel	Weldon
Gillmor	Miller (OH)	Wolf
Gingrich	Miller (WA)	Wylie
Goodling	Molinar	Young (AK)
Goss	Moorhead	Zeliff
Gradison	Nichols	Zimmer

# NAYS—277

Abercrombie	Coleman (TX)	Ford (MI)
Ackerman	Collins (IL)	Frank (MA)
Alexander	Collins (MI)	Frost
Anderson	Condit	Gaydos
Andrews (ME)	Cooper	Geldenson
Andrews (NJ)	Costello	Gephardt
Andrews (TX)	Cox (IL)	Geren
Annunzio	Coyne	Gibbons
Anthony	Cramer	Gilman
Applegate	Darden	Glickman
Aspin	de la Garza	Gonzalez
Atkins	DeFazio	Gordon
AuCoin	DeLauro	Green
Bacchus	Dellums	Guarini
Barrett	Derrick	Hall (OH)
Bellenson	Dicks	Hamilton
Bennett	Dingell	Hammerschmidt
Bereuter	Dixon	Harris
Berman	Donnelly	Hayes (IL)
Bevill	Dooley	Hayes (LA)
Bilbray	Dorgan (ND)	Hefner
Blackwell	Downey	Hertel
Bonior	Duncan	Hoagland
Borski	Durbin	Hochbrueckner
Boucher	Dwyer	Horn
Boxer	Dymally	Hoyer
Brewster	Early	Hubbard
Brooks	Eckart	Huckaby
Browder	Edwards (CA)	Hughes
Brown	Edwards (TX)	Hyde
Bruce	Engel	Jacobs
Bryant	English	Jefferson
Bustamante	Erdreich	Jenkins
Byron	Espy	Johnson (SD)
Campbell (CO)	Evans	Johnston
Cardin	Fascell	Jones (NC)
Carper	Fazio	Jontz
Carr	Feighan	Kanjorski
Chapman	Fish	Kaptur
Clay	Flake	Kennedy
Clement	Foglietta	Kennelly

Kildee	Nowak	Sisisky	Beilenson	Gilchrest	McGrath	Sikorski	Sundquist	Vucanovich
Kiecicka	Oakar	Skaggs	Bennett	Gillmor	McHugh	Sisisky	Swett	Walsh
Kolter	Oberstar	Skeen	Bentley	Gilman	McMillan (NC)	Skaggs	Swift	Washington
Kopetski	Obey	Skelton	Bereuter	Gingrich	McMillen (MD)	Skeen	Synar	Waters
Kostmayer	Olin	Slattery	Berman	Glickman	McNulty	Skelton	Tallon	Waxman
LaFalce	Olver	Slaughter	Bevill	Gonzalez	Meyers	Slattery	Tanner	Weber
Lancaster	Ortiz	Smith (FL)	Bilbray	Goodling	Mfume	Slaughter	Tauzin	Weiss
Lantos	Orton	Smith (IA)	Bilirakis	Gordon	Michel	Smith (FL)	Taylor (MS)	Weldon
LaRocco	Owens (NY)	Snowe	Blackwell	Gradison	Miller (CA)	Smith (IA)	Thomas (CA)	Wheat
Laughlin	Owens (UT)	Solarz	Bliley	Grandy	Mineta	Smith (NJ)	Thomas (GA)	Whitten
Leach	Pallone	Spratt	Boehler	Green	Mink	Smith (TX)	Thomas (WY)	Williams
Lehman (CA)	Panetta	Staggers	Boehner	Guarini	Moakley	Snowe	Thornton	Wilson
Lehman (FL)	Parker	Stallings	Bonior	Gunderson	Molinari	Solarz	Torres	Wise
Levin (MI)	Pastor	Stark	Borski	Hall (OH)	Mollohan	Spence	Towns	Wolf
Levine (CA)	Patterson	Stenholm	Boucher	Hall (TX)	Montgomery	Spratt	Trafigant	Wolpe
Lewis (GA)	Payne (NJ)	Stokes	Boxer	Hamilton	Moody	Staggers	Unsoeld	Wyden
Lloyd	Payne (VA)	Studds	Brewster	Hammerschmidt	Moran	Stallings	Upton	Yates
Long	Pease	Swett	Brooks	Harris	Morella	Stark	Valentine	Yatron
Lowe (NY)	Pelosi	Swift	Broomfield	Hastert	Morrison	Stenholm	Vander Jagt	Young (AK)
Luken	Perkins	Synar	Brown	Hayes (IL)	Mrazek	Stokes	Vento	Young (FL)
Manton	Peterson (FL)	Tallon	Bruce	Hayes (LA)	Murphy	Studds	Visclosky	
Markey	Peterson (MN)	Tanner	Bryant	Hefley	Murtha			
Martinez	Pickett	Tauzin	Bunning	Hefner	Myers			
Matsui	Pickle	Taylor (MS)	Bustamante	Herger	Nagle			
Mavroules	Poshard	Taylor (NC)	Byron	Hertel	Natcher			
Mazzoli	Price	Thomas (GA)	Callahan	Hoagland	Neal (MA)			
McCloskey	Rahall	Thomas (WY)	Camp	Hobson	Neal (NC)			
McCurdy	Rangel	Thornton	Campbell (CO)	Hochbrueckner	Nowak			
McDermott	Reed	Torres	Cardin	Holloway	Nussle			
McGrath	Richardson	Towns	Carper	Horn	Oakar			
McHugh	Ridge	Trafigant	Carr	Horton	Oberstar			
McMillen (MD)	Roe	Unsoeld	Chandler	Houghton	Obey			
McNulty	Roemer	Valentine	Chapman	Hoyer	Olin			
Mfume	Ros-Lehtinen	Vento	Clay	Hubbard	Oliver			
Miller (CA)	Rose	Visclosky	Clement	Huckaby	Ortiz			
Mineta	Rostenkowski	Walsh	Clinger	Hughes	Orton			
Mink	Roukema	Washington	Coble	Hutto	Owens (NY)			
Moakley	Rowland	Waters	Coleman (MO)	Hyde	Owens (UT)			
Mollohan	Roybal	Waxman	Coleman (TX)	Inhofe	Oxley			
Montgomery	Russo	Weiss	Collins (IL)	Jacobs	Pallone			
Moody	Sabo	Wheat	Collins (MI)	James	Panetta			
Moran	Sanders	Whitten	Combest	Jefferson	Parker			
Morella	Sangmeister	Williams	Condit	Jenkins	Pastor			
Morrison	Sarpallus	Wilson	Cooper	Johnson (SD)	Patterson			
Mrazek	Savage	Wise	Costello	Johnson (TX)	Paxon			
Murphy	Sawyer	Wolpe	Coughlin	Johnston	Payne (NJ)			
Murtha	Scheuer	Wyden	Cox (IL)	Jones (GA)	Payne (VA)			
Myers	Schroeder	Yates	Coyne	Jones (NC)	Pease			
Nagle	Schumer	Yatron	Cramer	Jontz	Pelosi			
Natcher	Serrano	Young (FL)	Darden	Kanjorski	Perkins			
Neal (MA)	Sharp		Davis	Kaptur	Peterson (FL)			
Neal (NC)	Sikorski		de la Garza	Kasich	Peterson (MN)			

## NOT VOTING—10

Barnard	Hatcher	Traxler
Conyers	Jones (GA)	Volkmer
Dickinson	Schulze	
Ford (TN)	Torricelli	

## □ 1444

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Members are reminded that in accordance with the Chair's prior announcement, this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 369, nays, 54, not voting 11, as follows:

[Roll No. 366]

## YEAS—369

Abercrombie	Andrews (TX)	AuCoin
Ackerman	Annunzio	Bacchus
Alexander	Anthony	Baker
Anderson	Applegate	Ballenger
Andrews (ME)	Aspin	Barrett
Andrews (NJ)	Atkins	Bateman

## NAYS—54

Allard	Hancock	Penny
Allen	Hansen	Petri
Archer	Henry	Pursell
Armey	Hopkins	Rhodes
Barton	Hunter	Roberts
Burton	Ireland	Rohrabacher
Campbell (CA)	Johnson (CT)	Roth
Cox (CA)	Kyl	Schaefer
Crane	Lewis (CA)	Sensenbrenner
Cunningham	Lipinski	Shuster
Dannemeyer	Marlenee	Smith (OR)
DeLay	McCollum	Solomon
Doolittle	McEwen	Stearns
Dornan (CA)	Miller (OH)	Stamp
Dreier	Miller (WA)	Taylor (NC)
Duncan	Moorhead	Walker
Fields	Nichols	Zelliff
Goss	Packard	Zimmer

## NOT VOTING—11

Barnard	Fish	Torricelli
Browder	Ford (TN)	Traxler
Conyers	Hatcher	Volkmer
Dickinson	Schulze	

## □ 1453

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO OFFER AMENDMENT TO H.R. 4996, JOBS THROUGH EXPORTS ACT OF 1992, NOTWITHSTANDING REQUIREMENT CONTAINED IN HOUSE RESOLUTION 489, AND TO LIMIT TIME ON ALL AMENDMENTS

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that, notwithstanding the preprinting requirement contained in House Resolution 489, the gentleman from California [Mr. DYMALLY] be permitted to offer an amendment to H.R. 4996, the Jobs Through Exports Act of 1992, and that the time on all amendments be limited to 1½ hours as a result of an agreement with



the gentleman from Wisconsin [Mr. ROTH].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

Mr. ROTH. Mr. Speaker, reserving the right to object, I think it is a reasonable request, and it is fair to all the Members who have amendments on this bill. So I think that we should agree to the time limit.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. The Chair understands the request that debate on the bill and all amendments thereto be limited to 1½ hours.

Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### JOBS THROUGH EXPORTS ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 489 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4996.

□ 1456

##### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4996) to extend the authorities of the Overseas Private Investment Corporation, and for other purposes, with Mr. KANJORSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 17, 1992, title I was open for amendment at any point and pending was the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

Pursuant to the rule, no amendments to the Committee amendment in the nature of a substitute are in order other than the following:

First, pro forma amendments for purposes of debate;

Second, the amendment printed in House Report 102-575, to be offered by the gentleman from Nebraska [Mr. BE-REUTER] or his designee;

Third, the amendment to be offered by the gentleman from California [Mr. DYMALLY] made in order by the House today;

Fourth, and those amendments printed in the CONGRESSIONAL RECORD prior to June 18, 1992.

Is there further debate on the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

H.R. 4996, the Jobs Through Exports Act of 1992, will not only increase the size and improve the effectiveness of U.S. export promotion programs, but it will create jobs here at home.

The purpose of this bill is to offer a more level playing field for U.S. exporters as they try to market their products and services overseas. The bill reauthorizes both the Overseas Private Investment Corporation, or OPIC, and the Trade and Development Program. This legislation will also significantly enhance the ability of the U.S. Government to carry out feasibility studies for capital projects using U.S. exports and services. In addition, the bill will create a partnership between the public and private sectors to identify and aggressively pursue strategic export markets. I estimate that this bill will generate at least 120,000 jobs each year.

Let me now proceed with my technical amendment.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Wisconsin.

□ 1500

Mr. ROTH. Mr. Chairman, I thank the gentleman from Connecticut [Mr. GEJDENSON] for yielding to me.

Mr. Speaker, it has been several weeks since the House last considered this bill, so let me remind my colleagues that this is truly a bipartisan measure. It creates jobs by increasing American exports. It helps American companies better compete in world markets, and it establishes the first buy-America requirement for foreign aid.

It helps our country deal with the new reality that economic competition is now our biggest threat. That is why the leadership of America's business community has lined up solidly behind this bill: The Chamber of Commerce, the National Association of Manufacturers, the National Foreign Trade Council, the Bankers Association for Foreign Trade, and the Coalition for Employment Through Exports.

Today we have a number of amendments. Some of these will improve the bill, but others I think are very damaging. I ask my colleagues to consider each amendment carefully. Our goal is to produce a bill that the other body will agree to and that the President can sign. If we can do that, we can create new jobs for the American people and strengthen our economy. Let us march toward that goal.

Mr. LEVIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. Mr. Chairman, I rise in strong support of H.R. 4996, the Jobs Through Exports Act.

Few trade policy issues generate the type of broad consensus that exists on the importance of exports: American businesses and workers can't compete unless they sell their products as aggressively in Jakarta as they do in Peoria.

But despite the emergence of a strong export mentality in the private

sector, the U.S. Government has lagged dangerously behind our trading partners in export promotion.

It's time to stop paying lip service to the needs of our businesses and workers and start paying attention to the realities of the world market place. It's time to craft an export policy based on the mutual trust and mutual goals of business and Government.

This bipartisan measure takes an important step toward forging that kind of partnership. The OPIC Program has been paying dividends to American businesses investing abroad for two decades. And I commend Chairman GEJDENSON for including the Trade and Development Agency and Office of Capital Projects in this bill, which is one of a series of House leadership-backed measures designed to foster economic growth, increase trade, and create American jobs.

I also would like to thank him for including the U.S. Commercial Centers Program in H.R. 4996. This program signals a new direction in U.S. exports policy—a crystallization of the feeling that our Government's mission abroad must be shaped by trade and economics as much as diplomacy.

For too long, export promotion has been given back-room storage space at American Embassies around the world. The Commercial Centers Program elevates export promotion to the level of diplomacy and creates separate facilities abroad where Government will give American businesses the first-stage assistance they need to pursue export opportunities in foreign markets.

I originally introduced the Commercial Centers concept as separate legislation. The response—bipartisan sponsorship by more than 70 House colleagues—demonstrated the widespread feeling that Government and businesses must build a partnership when it comes to exporting—a partnership far beyond the limited programs that currently exist. Private businesses must be willing to make the investment, but our own Government must become an advance team for American businesses abroad.

In addition to Chairman GEJDENSON, I'd like to thank Majority Leader GEPHARDT and Congressman ROTH and MCGRATH for their strong support of U.S. Commercial Centers.

The concept is simple. We will create separate export facilities—called commercial centers—in key cities in important markets: One in either the Baltics or the former Soviet Republics; one in Asia and one in Latin America.

The centers will provide visiting American business representatives with language and clerical services and telecommunications facilities, as well as temporary office and meeting space. Center personnel will provide information about the host country's industries, economy, and markets—and a list of contacts in each industrial area.

For small- and medium-sized American businesses, the centers will be an oasis in an unfamiliar environment.

I was struck with the need for such a Government-industry partnership when I visited the teeming markets of Southeast Asia in 1989. Everywhere we went, American exporters told the same story. America is losing ground, they said, and unless something changes we will fall irreversibly behind within 5 years.

Their fears have proven true in a shorter period than that. As Japan and other Asian nations invest heavily in Thailand, Malaysia, Singapore, and Indonesia, Americans fall further and further behind. A recent series of articles in the Washington Post highlighted both the economic growth of these markets, as well as their potential importance to American industries.

Too content to stick with old ways designed for a different era, our own Government's effort has lagged. In Indonesia, a nation of 180 million people, we have slots for only 4 Foreign Commercial Service officers, and have filled only 3 of them. In Malaysia, we have posted only 3 FCS officers.

The truth is, our export effort has fallen short of what our businesses need around the world.

After the fall of communism in Eastern Europe, my office asked American companies whether they were ready to do business in Poland and Czechoslovakia, and they said no. We asked whether our Government was helping, and they said no.

We heard the same thing when the Baltic Nations tasted freedom late last summer. At the time, a Michigan food distributor wanted to sell food in the Soviet Union, but didn't know how. He received a busy signal at the one phone number the U.S. Government provided.

We asked businesses what they needed, and in bits and pieces it added up to a commercial center.

Our nations, aware of the importance of separating trade and exports from diplomacy, have established similar programs. In Japan, the Canadians have turned a significant portion of their brandnew Embassy into a showcase for their businesses. Canadian firms can set up meetings in spacious offices or rent space for business dinners that give them the advantage of meeting clients in familiar, intimate settings.

The Canadian Government has set up a sophisticated computer network listing businesses according to their specialties; when a need arises for a particular export, the Government matches the need with particular businesses—and it works. More than 100,000 Japanese citizens have come through the Embassy for the exclusive purpose of conducting business with Canadians. Twenty commercial officers staff the Canadian Embassy. It is a true partnership between business and government.

It is time to create such a partnership in the United States, starting with commercial centers. Ultimately, this partnership must extend beyond this pilot program—the foundation of a commitment of not just money—but of time and effort.

The CHAIRMAN: The time of the gentleman from Connecticut [Mr. GEJDENSON] has expired.

(On request of Mr. LEVIN of Michigan and by unanimous consent, Mr. GEJDENSON was allowed to proceed for 3 additional minutes.)

Mr. GEJDENSON. Mr. Chairman, I ask for Members' support for the technical amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. GEJDENSON].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I?

Mr. GEJDENSON. Mr. Chairman, I ask unanimous consent that we take the amendment to be offered by the gentleman from California [Mr. DYMALLY], the amendment to be offered by the gentleman from Nebraska [Mr. BEREUTER], and the amendment to be offered by the gentleman from West Virginia [Mr. WISE] in that order, because they are noncontroversial amendments. I think both sides are going to accept them, so we can have as much time as we need for the other amendments.

Mr. Chairman, I ask unanimous consent to take these three amendments out of order.

The CHAIRMAN. The gentleman asks that those amendments be offered in that order, even though we have not read the title numbers?

Mr. GEJDENSON. Yes, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYMALLY: Page 70, lines 4 and 5, strike "and in one country in Latin America" and insert "in one country in Latin America, and in one country in Africa".

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the gentleman has an excellent amendment, and we certainly support it.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, we on this side certainly support this amendment also. This amendment authorizes an additional United States commercial

center to be located in Africa. The bill already authorizes centers in CIS, the Baltics, Asia, Latin America, so this amendment is in keeping with the intent of the bill. We must help our U.S. companies be competitive.

Mr. Chairman, I compliment the gentleman from California [Mr. DYMALLY] for his good amendment.

Mr. DYMALLY. Mr. Chairman, I am ahead, and I shall quit. Let me take this opportunity to thank the chairman and the minority member, the gentleman from Wisconsin [Mr. ROTH], for seeking unanimous consent for me to offer this amendment. I thank them for their support.

Mr. Chairman, I am offering an amendment to title IV—the section establishing U.S. commercial centers. The amendment adds one country in Africa as the site for a commercial center and provides the funding for this addition.

Let me say at the onset that I am supportive of H.R. 4996. Creating new American business ties throughout the world is a concept I have always espoused. Having said that, I find that Africa's not being included with Eastern Europe, Latin America, and Asia as a potential frontier for expanded business opportunities was troubling to me.

One of my principal goals during my tenure as chairman of the Subcommittee on Africa has been to increase ties between African-American businessmen and women and the African business sector. I recognize, however, the importance of promoting trade and investment in the whole of Africa—whether it be with United States corporations or small businesses.

I have tried to stimulate interest in Africa during my chairmanship and have received much criticism from some foreign policy advocates who do not see the correlation between promoting business and advancing our foreign policy objectives. What they do not realize is how closely they are intertwined. Until Africa has an opportunity to advance economically and utilize its tremendous resources and talent, the continent will continue to be ravaged by poverty, hunger, and conflict.

To help promote business ties between the United States and Africa, I have attempted to do several things. I recently sponsored, together with the Congressional Research Service, a United States-North African trade conference. Ministers of commerce from five countries met with representatives of a cross-section of American business to share information and make plans for bridging the existing gap between us. In the fall, I am planning another conference in north Africa to continue this exchange. I also have recently introduced a measure on southern Africa designed to foster conditions that will encourage the United States business community to engage in trade and investment.



There are only 2 companies listed in the world trade top 100 trading companies which have dealings in northern Africa. We have to do better than that if we ever expect these countries to become self-sufficient.

I have talked to Mr. GEJDENSON, Mr. ROTH, and Mr. LEVIN about my amendments and they have given me their support. I urge all of my colleagues to give Africa the same chance that other regions of the world are getting.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DYMALLY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment made in order by the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BEREUTER: At the end of the bill (page 78, after line 12), add the following:

#### TITLE VI—ENTERPRISE FOR THE AMERICAS INITIATIVE

##### SEC. 601. SHORT TITLE.

This title may be cited as the "Enterprise for the Americas Act of 1992".

##### SEC. 602. PURPOSE.

The purpose of this title is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with inter-related actions to promote debt reduction, investment reforms, community based conservation, and sustainable use of the environment, and child survival and child development. The Facility will support these objectives through administration of debt reduction operations under this title for those countries with democratically elected governments that meet investment reforms and other policy conditions.

##### SEC. 603. DEFINITIONS.

For purposes of this title—

(1) the term "administering body" means the entity provided for in section 609(c);

(2) the term "Americas Framework Agreement" means the agreement provided for in section 609;

(3) the term "Americas Fund" means an Enterprise for the Americas Fund provided for in section 608(a);

(4) the term "appropriate congressional committees" means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate;

(5) the term "beneficiary country" means an eligible country with respect to which the authority of section 605(a)(1) is exercised;

(6) the term "eligible country" means a country designated by the President in accordance with section 604;

(7) the term "Enterprise for the Americas Board" or "Board" means the board established by section 610 of Agricultural Trade Development and Assistance Act of 1954 (as amended by section 610(b) of this title); and

(8) the term "Facility" means the Enterprise for the Americas Facility established in the Department of the Treasury by section 601 of that Act.

##### SEC. 604. ELIGIBILITY FOR BENEFITS.

(a) REQUIREMENTS.—To be eligible for benefits from the Facility under this title, a

country must be a Latin American or Caribbean country—

(1) whose government is democratically elected;

(2) whose government has not repeatedly provided support for acts of international terrorism;

(3) whose government cooperates on international narcotics control matters;

(4) whose government (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights;

(5) that has in effect, has received approval for, or, as appropriate in exceptional circumstances, is making significant progress toward—

(A) an International Monetary Fund stand-by arrangement, extended Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, a Fund monitored program or its equivalent, unless the President determines (after consultation with the Enterprise for the Americas Board) that such an arrangement or program (or its equivalent) could reasonably be expected to have significant adverse social or environmental effects; and

(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development or the International Development Association, unless the President determines (after consultation with the Enterprise for the Americas Board) that the resulting adjustment requirements could reasonably be expected to have significant adverse social or environmental effects;

(6) has put in place major investment reforms in conjunction with an Inter-American Development Bank loan or otherwise is implementing, or is making significant progress toward, an open investment regime; and

(7) if appropriate, has agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(b) ELIGIBILITY DETERMINATIONS.—Consistent with subsection (a), the President shall determine whether a country is eligible to receive benefits under this title. The President shall notify the appropriate congressional committees of his intention to designate a country as an eligible country at least 15 days in advance of any formal determination.

##### SEC. 605. REDUCTION OF CERTAIN DEBT.

(a) AUTHORITY TO REDUCE DEBT.—

(1) AUTHORITY.—The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1991, as a result of concessional loans made to an eligible country by the United States under part I of the Foreign Assistance Act of 1961 (or predecessor foreign economic assistance legislation).

(2) APPROPRIATIONS ACT REQUIREMENT.—The authority of this section may be exercised only in such amounts or to such extent as is specifically provided in advance by appropriations Acts.

(3) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(b) IMPLEMENTATION OF DEBT REDUCTION.—

(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished

at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of the date specified in subsection (a)(1).

(2) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of the agreement with an eligible country to exchange a new obligation for outstanding obligations pursuant to this subsection. At the direction of the Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the agency primarily responsible for administering part I of that Act shall make an adjustment in its accounts to reflect the debt reduction.

##### SEC. 606. REPAYMENT OF PRINCIPAL.

(a) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to section 605(b) shall be repaid in United States dollars.

(b) DEPOSIT OF PAYMENTS.—Principal repayments of new obligations shall be deposited in the United States Government account established for principal repayments of the obligations for which those obligations were exchanged.

##### SEC. 607. INTEREST ON NEW OBLIGATIONS.

(a) RATE OF INTEREST.—New obligations issued by a beneficiary country pursuant to section 605(b) shall bear interest at a concessional rate.

(b) CURRENCY OF PAYMENT; DEPOSITS.—

(1) LOCAL CURRENCY.—If the beneficiary country has entered into an Americas Framework Agreement under section 609, interest shall be paid in the local currency of the beneficiary country and deposited in the Americas Fund provided for in section 608(a). Such interest shall be the property of the beneficiary country, until such time as it is disbursed pursuant to section 608(d). Such local currencies shall be used for the purposes specified in the Americas Framework Agreement.

(2) UNITED STATES DOLLARS.—If the beneficiary country has not entered into an Americas Framework Agreement under section 609, interest shall be paid in United States dollars and deposited in the United States Government account established for interest payments of the obligations for which the new obligations were exchanged.

(c) INTEREST ALREADY PAID.—If a beneficiary country enters into an Americas Framework Agreement subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the Americas Fund established for that country pursuant to section 608(a).

##### SEC. 608. ESTABLISHMENT OF, DEPOSITS INTO, AND DISBURSEMENTS FROM AN ENTERPRISE FOR THE AMERICAS FUND.

(a) ESTABLISHMENT.—Each beneficiary country that enters into an Americas Framework Agreement under section 609 shall be required to establish an Enterprise for the Americas Fund to receive payments in local currency pursuant to section 607(b)(1).

(b) DEPOSITS.—Local currencies deposited in an Americas Fund shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(c) INVESTMENT.—Deposits made in an Americas Fund shall be invested until disbursed. Any return on such investment may be retained by the Americas Fund, without deposit in the Treasury of the United States and without further appropriation by Congress.

(d) **DISBURSEMENTS.**—Funds in an Americas Fund shall be disbursed only pursuant to an Americas Framework Agreement under section 609.

**SEC. 609. AMERICAS FRAMEWORK AGREEMENTS.**

(a) **AUTHORITY.**—The Secretary of State is authorized, in consultation with other appropriate Government officials, to enter into an Americas Framework Agreement with any eligible country concerning the operation and use of the Americas Fund for that country. In the negotiation of such Agreements, the Secretary shall consult with the Enterprise for the Americas Board in accordance with section 610.

(b) **CONTENTS OF AGREEMENTS.**—An Americas Framework Agreement with an eligible country shall—

(1) require that country to establish an Americas Fund;

(2) require that country to make interest payments under section 607(b)(1) into an Americas Fund;

(3) require that country to make prompt disbursements from the Americas Fund to the administering body described in subsection (c);

(4) when appropriate, seek to maintain the value of the local currency resources of the Americas Fund in terms of United States dollars;

(5) specify, in accordance with subsection (d), the purposes for which amounts in an Americas Fund may be used; and

(6) contain reasonable provisions for the enforcement of the terms of the agreement.

(c) **ADMINISTERING BODY.**—

(1) **IN GENERAL.**—Funds disbursed from the Americas Fund in each beneficiary country shall be administered by a body constituted under the laws of that country.

(2) **COMPOSITION.**—The administering body shall consist of—

(A) one or more individuals appointed by the United States Government,

(B) one or more individuals appointed by the government of the beneficiary country, and

(C) individuals who represent a broad range of—

(i) environmental nongovernmental organizations of the beneficiary country.

(ii) child survival and child development nongovernmental organizations of the beneficiary country,

(iii) local community development nongovernmental organizations of the beneficiary country, and

(iv) scientific or academic organizations or institutions of the beneficiary country.

"A majority of the members of the administering body shall be individuals described in subparagraph (C).

(3) **RESPONSIBILITIES.**—The administering body—

(A) shall receive proposals for grant assistance from eligible grant recipients (as determined under subsection (e)) and make grants to eligible grant recipients in accordance with the priorities agreed upon in the Americas Framework Agreement, consistent with subsection (d);

(B) shall be responsible for the management of the program and oversight of grant activities funded from resources of the Americas Fund;

(C) shall be subject, on an annual basis, to an audit of financial statements conducted in accordance with generally accepted auditing standards by an independent auditor;

(D) shall be required to grant to representatives of the United States General Accounting Office such access to books and records associated with operations of the Americas

Fund as the Comptroller General of the United States may request;

(E) shall present an annual program for review each year by the Enterprise for the Americas Board; and

(F) shall submit a report each year on the activities that it undertook during the previous year to the Chair of the Enterprise for the Americas Board and to the government of the beneficiary country.

(d) **ELIGIBLE ACTIVITIES.**—Grants from an Americas Fund shall be used for—

(1) activities that link the conservation and sustainable use of natural resources with local community development; and

(2) child survival and other child development activities.

(e) **GRANT RECIPIENTS.**—Grants made from an Americas Fund shall be made to—

(1) nongovernmental environmental, conservation, child survival and child development, development, and indigenous peoples organizations of the beneficiary country;

(2) other appropriate local or regional entities; and

(3) in exceptional circumstances, the government of the beneficiary country.

(f) **REVIEW OF LARGER GRANTS.**—Any grant of more than \$100,000 from an Americas Fund shall be subject to veto by the Government of the United States or the government of the beneficiary country.

(g) **ELIGIBILITY CRITERIA.**—In the event that a country ceases to meet the eligibility requirements set forth in section 604(a), as determined by the President pursuant to section 604(b), then grants from the Americas Fund for that country may only be made to nongovernmental organizations until such time as the President determines that such country meets the eligibility requirements set forth in section 604(a).

**SEC. 610. ENTERPRISE FOR THE AMERICAS BOARD.**

(a) **RESPONSIBILITIES.**—For purposes of this title, the Enterprise for the Americas Board shall—

(1) advise the Secretary of State on the negotiations of Americas Framework Agreements pursuant to section 609;

(2) ensure, in consultation with—

(A) the government of the beneficiary country,

(B) nongovernmental organizations of the beneficiary country,

(C) nongovernmental organizations of the region (if appropriate),

(D) environmental, scientific, child survival and child development, and academic leaders of the beneficiary country, and

(E) environmental, scientific, child survival and child development, and academic leaders of the region (as appropriate),

that a suitable administering body is identified for each Americas Fund; and

(3) review the programs, operations, and fiscal audits of each administering body.

(b) **AMENDMENTS RELATING TO THE BOARD.**—Section 610 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) in the section heading, by striking out "ENVIRONMENT" and inserting in lieu thereof "ENTERPRISE";

(2) in subsection (a), by striking out "Environment" and inserting in lieu thereof "Enterprise"; and

(3) in subsection (b)(1)(B)—

(A) by inserting "child survival and child development," after "environmental," and

(3) in subsection (b)(1)(B)—

(A) by inserting "child survival and child development," after "environmental," and

(B) by inserting "at least one of whom shall be a representative from a child sur-

vival and child development organization" after "Caribbean".

**SEC. 611. ANNUAL REPORTS TO CONGRESS.**

(a) **IN GENERAL.**—Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report on the implementation of this title and title VI of the Agricultural Trade Development and Assistance Act of 1954. Such report shall include—

(1) a description of the activities undertaken by the Enterprise for the Americas Facility during the previous fiscal year;

(2) a description of any Americas Framework Agreements entered into under this title and a description of any Environmental Framework Agreement entered into under title VI of the Agricultural Trade Development and Assistance Act of 1954; and

(3) a description of any grants that have been extended by administering bodies pursuant to an Americas Agreement under this title or pursuant to an Environmental Framework Agreement under title VI of that Act.

(b) **SUPPLEMENT VIEWS.**—Each member of the Enterprise for the Americas Board shall be entitled to receive a copy of the report required by subsection (a) at least 14 days before the report is to be transmitted to the Congress, to have 14 days within which to prepare and submit supplemental views for inclusion in such report, and to have those views included in the report when it is so transmitted.

(c) **CONFORMING AMENDMENT.**—Section 614 of the Agricultural Trade Development and Assistance Act of 1954 (relating to annual reports to the Congress on the Enterprise for the Americas Facility) is repealed.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the gentleman has an excellent amendment. The House has passed many of these provisions already. For this side, we support the amendment.

Mr. BEREUTER. Mr. Chairman, during its consideration of the Agriculture appropriations bill on June 30, of this year, the House resoundingly defeated an attempt to cut funding for the food aid debt reduction component of EAI. This first real test of EAI support on the floor illustrates that, even in an unpopular year for foreign aid, a strong bipartisan coalition is willing to support this program. This legislation does not forgive total debt owed by eligible countries. EAI reduces debt owed by eligible countries. They must repay the principle on the debt. Interest payments fund environmental and child health projects in eligible countries.

Mr. KOLBE. Mr. Chairman, does the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding to me. I rise in strong support of the amendment of the gentleman from Nebraska. This is, as he suggested, a very important amendment that does test the strength of the Enterprise for the Americas Initiative. This is one of the most impor-



tant initiatives that this Congress can undertake.

□ 1510

It is important because if we look around the world we can see that the Americas, Latin America, Central America, Mexico, represent the growth markets for the United States. It represents a great opportunity for us to build on the developing democracies in that part of the world, and for us to build our markets there.

The Enterprise for the Americas Initiative is one that holds great hope for the future of all of the Western Hemisphere. This amendment, as the gentleman from Nebraska has suggested, does not forgive the debt. It simply makes it easier for us to structure that debt. The principal must be repaid, and the debt that is forgiven must be used in projects within that country.

It is an important amendment that deserves the support and consideration of this body, and I hope we will adopt it. I thank the gentleman for yielding.

Mr. BEREUTER. I thank the gentleman for his excellent comments.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California for any comments that he might care to make.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Nebraska. It is particularly appropriate to add this amendment to this bill, a bill extending authority of the Overseas Private Investment Corporation, because the goals of both are so related.

When President Bush announced the Enterprise for the Americas Initiative just about 2 years ago, it produced an unprecedented response from our Latin friends and neighbors. Many of them have told me that they consider this to be a much more important program than almost anything else that we are doing. As we look around Latin America we see again unprecedented amounts of growth and unprecedented amounts of free trade and investment, and we actually see money coming home to some of those countries from overseas, and much of it is in reliance on this kind of attitude by this Congress.

Some time ago the Congress actually passed this legislation in the foreign aid bill. That did not become law. Just this morning the Foreign Affairs Committee of the House again passed this legislation in another act.

I would urge my colleagues to strongly support this amendment.

Mr. Chairman, I rise in strong support of the amendment by the gentleman from Nebraska [Mr. BEREUTER] to add authorization to this OPIC bill for the Enterprise for the Americas. It is particularly appropriate to add this to legislation extending the authority of the Overseas Private Investment Corporation since their goals are so related.

When President Bush announced the Enterprise for the Americas Initiative June 27, 1990—about 2 years ago—it produced an unprecedented response from our Latin friends and neighbors. They responded enthusiastically in support of the proposal. The House passed in October 1990, legislation to authorize the enterprise which I enthusiastically co-sponsored. Yet, for whatever reasons, the Congress did not achieve final passage of that legislation which included many of the elements needed to make this a fully successful program.

We must not delay any further. The Enterprise Initiative envisioned the promotion of economic growth through free market principles and increased private investment for the nations of the Western Hemisphere which had badly suffered economic decline through the decade of the eighties. Many referred to it as the lost decade. Even without all the parts of the program in place, in the past 2 years it is apparent that many countries in the region have made dramatic progress in generating economic growth.

Democratic governments committed to structural reform and privatization of State-owned companies have seen remarkable changes in just the past 23 months that confirm they are on the right track. A renewed emphasis on free trade, correcting unproductive barriers to private investment, both domestic and foreign have been undertaken by most governments in the region and the results have been lowered inflation and increased growth.

The Enterprise Initiative is designed to support these efforts which should produce even greater advances. Part of the attraction of the Enterprise Program is the proposal to reduce a country's bilateral official government debt with the United States in exchange for new obligations which the debtor nation can use for projects to protect the environment or to promote child survival and child development.

It is important to recognize that the Enterprise Initiative is not an aid program, but instead a means to encourage and promote those activities that will correct ineffective economic and fiscal policies of the past and that will provide the basis for comprehensive and sustainable economic growth.

A major element of the proposal is to promote free trade in the hemisphere. Since June 1990, the United States has entered into 14 new bilateral trade framework agreements and two multilateral agreements. These are preliminary steps needed to reach the ultimate goal of an actual free trade agreement. These efforts affect a total of 31 countries, and of course the most prominent ongoing negotiation for a free-trade agreement with Mexico, in conjunction with our earlier pact with Canada, will be the key test for the prospects for the other trade agreements.

An additional element of the Enterprise Initiative is the multilateral investment fund, which has been negotiated among the various nations of the region to establish a \$1.3 billion fund that would be used for reform of existing investment regimes in order to promote privatization. Its uses for technical assistance, for human resource development, and for direct equity and loan capital investment would provide the necessary means to make these

structural reforms happen. All that is needed now is the appropriations for the U.S. share of \$500 million. Other donors have pledged the remaining \$800 million, but that amount will not be contributed until the United States has appropriated its share.

Also, it is essential that the United States appropriate for fiscal year 1993 those sums necessary to finance the debt reduction element of the enterprise. Governments in the Western Hemisphere have made impressive reductions in their budget deficits and in their external debt obligations. Our approval of this part of the enterprise would help support even greater progress.

This amendment by Mr. BEREUTER establishes the mechanism to administer the debt-reduction objectives of the enterprise through the facility to be established in the Department of the Treasury and for the elements of each bilateral Americas Framework Agreement necessary to carry out that program. It authorizes but does not, however, appropriate funds to carry out the debt reduction part of the program or the U.S. contribution to the multilateral investment fund.

Not only do I urge my colleagues to support this amendment, but also to support legislation for appropriations for the enterprise when it comes before us. I urge you to vote "yes" on the Bereuter amendment.

Mr. BEREUTER. I thank the gentleman very much for his comments.

A powerful explanation of why this amendment is necessary appeared in a recent edition of the Washington Post, where an article by Colman McCarthy noted that El Salvador's civil war has so devastated that country's forests and ecosystems that its environmental recovery is as crucial as its political revival.

At the suggestion of a local Salvadoran environmental group, the Salvadoran Center for Appropriate Technology, the former warring parties have begun growing a reconciliation forest. The goal is to plant a tree for each soldier killed in the conflict, as well as each journalist and educator. "With this forest," the president of this center, Ricardo Navarro, has told audiences, "we are transforming a death zone into a life zone."

If enacted, my amendment would enable this group to obtain the necessary resources to make this vision a reality. Other indigenous environmental and child health groups in other eligible countries would have similar opportunities throughout the hemisphere.

The provisions in this amendment are fully supported by a broad array of environmental groups, including the Nature Conservancy and the World Wildlife Fund, as well as the newly formed group, Friends of EAI, headed by former Senator Howard Baker.

To be eligible for debt relief under this amendment, a country must have a democratically elected government, refrain from sponsoring terrorism, co-operate in the drug war, and respect human rights. In addition, a beneficiary government must have, or be

making significant progress toward, an economic program with the International Monetary Fund or the World Bank.

By easing debt burdens of eligible countries, the Enterprise for the Americas Initiative [EAI] will release resources for capital formation as well as child health and environmental projects in recipient countries. Over the long term, it will expand opportunities for U.S. investors and open markets for U.S. exporters.

Under the EAI framework, eligible countries will be able to increase their purchases of U.S. goods and services as a result of greater exchange availability caused by a reduction in their debt burden.

As important as some of the policy and program provisions are in the bill before us today, they can go only so far in boosting U.S. exports if they are not accompanied by the adoption of longer range policies, including debt relief measures linked to market-oriented reforms and structural adjustments.

I would like to point out to my colleagues that both the House and Senate duly considered and passed all the provisions in my amendment when it was part of the foreign aid bill last year, but for other reasons the conference report was ultimately defeated in October.

With 31 countries of the region signing EAI trade and investment framework agreements, it is vitally important that Congress wait no longer to enact the EAI debt reduction provisions. This initiative will help graduate the recipient countries off the foreign aid dole and build a long-term solution to the region's problems.

In addition to freeing resources that will be spent in part on U.S. exports, the EAI will expand opportunities for U.S. investors, support economic growth, and develop innovative public-private partnerships to promote environmental and health projects in EAI recipient countries.

In fiscal year 1993, EAI debt reduction will eliminate approximately \$1 billion in debt for the 10 EAI-eligible countries of the region while generating some \$190 million to support environmental and child survival nongovernmental organizations.

Through the mechanism of EAI framework agreements, a close partnership between government officials and nongovernmental organizations will oversee the disbursements of funds for activities linking the conservation and sustainable use of natural resources with local community groups and child development activities.

Latin America and the Caribbean represent the fastest growing regional market for U.S. exports. From 1987 through 1990, our exports to the region increased by some \$19 billion, with 43 States registering steady increases in their trade with Latin America. Over

the past 5 years, our exports there have increased at a faster rate than any other part of the world.

The United States accounts for close to 60 percent of the region's imports from industrialized countries, compared to 29 percent for Europe and 11 percent for Japan. Clearly, this country has the most to gain from stronger economies and more open markets in Latin America and the Caribbean.

Mr. Chairman, a recent paper from a respected Washington think tank estimated that the United States lost some \$130 billion in trade opportunities in Latin America between 1982 and 1988, mainly because of the debt crisis.

The economic stagnation and its impact on investment and trade opportunities in many countries of the region will disappear only when the EAI goal of reducing the region's foreign debt is achieved.

The inclusion of the EAI would be a good complement to the programs and policies outlined in the bill—such as the OPIC reauthorization, funding the Trade Development Program and an expanded capital projects office in AID—in that it reduces the debt burden of a number of Latin countries thereby enabling them to purchase more goods and services from this country. As desirable as some of the policy and program changes are in H.R. 4996, they can only go so far in boosting exports if they are not accompanied by other efforts in the host country to reform the economy and reduce debt burdens.

The strong U.S. market share in the region—with our share of manufactured goods now up to some 54 percent of the total—indicates a preference in Latin America and the Caribbean for U.S. goods. The principal constraint in the growth of U.S. exports to the region is the limited purchasing power of Latin Americans and Caribbeans. Economic growth in Latin America and the Caribbean means increased ability to purchase our goods leading to export growth and job creation in the United States.

The large amounts of debt owed by Latin American and Caribbean countries have slowed economic growth and investment in the region. Debt reduction can restore the confidence of domestic and foreign investors and will encourage repatriation of flight capital and renew access to international financial markets.

The debt reduction pillar of the EAI includes an innovative mechanism to support environmental protection and conservation in Latin America and the Caribbean. Each country that benefits from a reduction in its Public Law 480 and/or AID debt can pay the interest on the debt that remains in local currency. These local currency payments can then be used to support grassroots environmental projects.

There is no time to lose in completing congressional action on the EAI if

we want to build a long term and mutually beneficial relationship with all nations of the hemisphere—and help ourselves and our exporters in the process. For many years, many Members argued that we should give peace a chance in Central America. Congress has an opportunity to strengthen the conditions that will result in lasting peace and economic growth throughout the hemisphere if we move to fully enact the Enterprise for the Americas Initiative. Now is the time to give EAI a chance.

Mr. Chairman, the full enactment of the Enterprise for the Americas Initiative is one of the top legislative priorities of the administration, and it strongly supports the adoption of this amendment. I include a letter endorsing this initiative from Secretary of State Baker and Secretary of Treasury Brady for the RECORD. I urge my colleagues to vote in favor of this amendment.

The letter referred to follows:

THE SECRETARY OF THE TREASURY,  
Washington, June 25, 1992.

Hon. DOUG BEREUTER,  
U.S. House of Representatives,  
Washington, DC.

DEAR MR. BEREUTER: We want to reaffirm the Administration's strong commitment to the Enterprise for the Americas Initiative (EAI) and to ask for your active support for this program.

The EAI is now an integral part of our relations with Latin America and the Caribbean, having played a key role in the dramatic improvement in hemispheric relations in the two years since its inception. Our neighbors have begun to work enthusiastically with us in a new partnership under the Initiative to improve the prospects for democracy and economic growth throughout the hemisphere.

The potential of increased trade and investment opportunities offered by the EAI has helped build momentum for reform. Framework agreements on trade and investment are in place with all but three countries in Latin America and the Caribbean; regular dialogue under these agreements is facilitating a reduction in barriers to trade. The Inter-American Development Bank has extended loans to support the liberalization of investment regimes in four countries. In anticipation of Congress passing the needed debt reduction and swap authority, ten more countries are discussing similar investment liberalization loans with the Inter-American Development Bank. The United States has reduced the P.L. 480 debt of three countries under the EAI. As a result of this action and a contribution by the Government of Bolivia, the local currency equivalent of \$33 million will be generated for grass roots environmental projects over ten years.

The EAI can do much more, however, to advance the reform process and help achieve increased growth and prosperity for our hemisphere.

Implementation of the agreements signed by twenty-one countries to establish the Multilateral Investment Fund (MIF) will be another critical step. This fund is designed to support investment liberalization in Latin America and the Caribbean, which will enable the private sector to play a larger role in promoting growth and development. The MIF will provide targeted support for such



actions as technical assistance to help establish financial markets, worker retraining programs, and increased access to credit for micro-enterprises. The contributions of other governments (including thirteen from Latin America and the Caribbean) and the start-up of this critical fund, however, await Congressional approval of the U.S. contribution.

We also need to proceed with full implementation of the debt reduction proposals advanced under the EAI. By reducing countries' bilateral debt to the United States, we can provide critical incentives to sustain important economic reforms while helping Latin American and Caribbean countries escape the shadow of debt that discourages investors. Particularly for the smaller countries in the region such as Costa Rica, El Salvador, and Jamaica, debt reduction under the EAI would substantially reduce their overall external debt burdens and provide important support for market-oriented economic reforms.

By supporting reform and increased competitiveness, the EAI seeks to help Latin American and Caribbean countries in their struggle to sustain economic growth and ensure that its benefits are felt by all their citizens. Strong and stable economies are essential to democracy and to broad-based, sustainable economic development in this region. Healthy economies will help governments address key human needs such as health, education, and the environment.

The EAI also seeks to build a future that will benefit the United States. The Latin American and Caribbean region is already the fastest growing market for U.S. exports. Furthermore, the U.S. commands a large share of industrial-country exports to the region—57 percent compared to 11 percent for Japan, for instance. Stronger economies in Latin America and the Caribbean will contribute to economic growth and export-related jobs here at home as the potential for trade and investment expands.

Our neighbors are ready to move forward with the EAI. With respect to both the investment and debt elements of the EAI, the ball is now in our court. Responding to the steps taken by our neighbors and deepening our partnership with them is top priority of the Administration. But we cannot do this without Congress. We hope we can work with you to gain Congressional approval of the remaining elements of this critical initiative.

Sincerely,

NICHOLAS F. BRADY,  
Secretary of the Treasury.

JAMES A. BAKER III,  
Secretary of State.

Mr. ROTH. Mr. Chairman, I move to strike the last word.

This Jobs Through Exports Act is a very important piece of legislation, and this is an important amendment. I do not like to be at odds with my friend from Nebraska, but I am compelled to do so.

We must all have deep reservations about this initiative, especially at a time when we have real needs right here at home.

In my view, this amendment embodies the most questionable aspects of the entire Enterprise for the Americans Initiative: The forgiveness of debts owed to the American taxpayer by the Latin American governments, and the idea that the interest owed on

any new loans would be diverted into a new foreign aid program.

My colleagues should understand that this amendment would authorize the forgiveness of loans—loans of money that hard-working Americans paid in taxes. The sponsors of this amendment will claim that all sorts of conditions have been placed on this debt forgiveness. But the bottom line is that under this amendment, our Government will cancel debts the Latin American governments owe to the people we represent—the American people.

I think these loans were wrong in the first place—they never should have been made, because our foreign aid bureaucrats knew these governments were poor credit risks.

But now many of these countries are doing well, and it is time they pay their debts. To cancel these debts only compounds the original mistakes in making these loans in the first place.

These Latin governments all want free trade agreements with the United States. We should insist that these loans be repaid as a condition for any trading advantage with our country.

This amendment also has a strange provision, section 607. Under this section, if a Latin country signs up for this EAI program, they get new loans to replace the old ones. And, they get to keep any interest payments that would be due. That means interest-free loans. What American taxpayer is getting an interest-free loan?

That's right. Instead of the interest being paid to the United States, the interest goes into a special account, which the Latin government controls, supposedly to be used for so-called environmental projects and child development.

That means the Latin countries get new loans, even after failing to pay back the old loans.

The new loans are effectively interest-free from the American taxpayer.

And, the Latin countries get new foreign aid from the United States in the form of the interest payments, which they, not even our own Government, get to run.

To me, this makes no sense at all. It is throwing more taxpayer money down the foreign aid rathole. It puts these Latin American governments at the head of the line, when we have urgent needs here at home and a \$4 trillion debt.

This amendment will make America the laughing stock of the Americas. Once again, we are doling out money, in the form of interest-free loans and foreign aid, when we should be taking care of our own people, for a change.

In good conscience, I cannot support this amendment. What this amendment does is to make Uncle Sam into Uncle Sap. Let's consider our American taxpayers for a change.

So I am compelled to say that I cannot support the amendment.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I am happy to yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding. I want to engage at some future time in a debate on this point because we have differences of opinion.

Mr. PORTER. Mr. Chairman, I thank the gentleman for yielding and want to express my strong support for this amendment which authorizes the Enterprise for the America's Initiative.

I am very pleased to see the Enterprise for the Americas Initiative being considered as an amendment to the Jobs Through Exports Act. The Jobs Through Exports Act is designed to promote American workers and products in overseas markets. EAI fits hand-in-hand with this goal.

EAI encourages Latin American and Caribbean nations to stabilize, liberalize, and privatize their economies, and assists them in restructuring their external debt. Strengthening the economies of our neighbors will translate into greater demand for U.S. goods. Since 1986, U.S. exports to Latin America and the Caribbean have doubled. Today \$1 of every \$7 of goods the United States exports goes to Latin America and the Caribbean, and 57 percent of the goods that region imports from industrialized countries come from the United States. EAI will further open Latin markets and will expand opportunities for United States exporters.

This amendment will have a concrete positive impact on U.S. jobs and exports. Between 1987 and 1990, U.S. exports to EAI nations increased \$20 billion. Treasury estimates that every \$1 billion increase in U.S. exports creates 20,000 export-related jobs. This growth in exports to Latin America and the Caribbean has yielded 400,000 new jobs for U.S. workers in 4 years. Under this calculation, Illinois gained 15,600 jobs due to increased exports to EAI countries.

The United States benefits from EAI in other important ways as well. EAI generates local currencies that will be used to promote local environmental programs, child survival programs, and community development. Regarding the limited EAI program currently underway, the Jamaican Ambassador wrote to me:

The Jamaica government sees [Enterprise for the Americas] as an opportunity to address some of the regions most pressing problems as well as a vehicle to enhance overall trade, economic and political ties between the United States and other nations of the hemisphere.

We in Jamaica \*\*\* applaud the EAI for its very important environmental component. In fact, two preservation projects were recently completed in Jamaica \*\*\* [including] a national park in the Blue Mountains.

The Treaty currently estimates that for the 10 nations presently eligible for EAI, \$190 million could be generated in

local currency to promote the environment, child welfare, and community development.

Mr. Chairman, this amendment will promote jobs and exports in the United States and will promote important environmental and humanitarian programs in the hemisphere. I encourage members to support this sensible amendment and to support the Jobs Through Exports Act.

Mr. WYLIE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Nebraska. His amendment would implement one piece of the President's Enterprise for the Americas Initiative by authorizing the President to reduce AID debt owed by qualifying Latin American and Caribbean countries to the United States Government. This debt reduction will help put this region back on its feet and help it renew access to international financial markets.

The President's Enterprise for the Americas Initiative is a bold and innovative blueprint for a more constructive and mutually beneficial relationship with Latin America. It is supported by a wide range of groups interested in the Americas.

The Heritage Foundation calls it the most comprehensive United States policy initiative for Latin America ever announced by Washington. Instead of relying on foreign aid dollars, it relies on trade and investment.

Latin American governments which have been embracing free market reforms have also embraced the President's initiative as a way to rid their economies of the statist policies of the past and to ensure economic growth in the future. Eligible countries under the initiative are those who commit to economic and democratic reforms including more open trade regimes and markets.

U.S. businesses support the President's plan as a way to gain new and recapture lost export markets.

I rise in support of the initiative because it is good foreign policy, good immigration policy, and good economics.

My home State of Ohio is one of the largest exporting States in the country. During the recent economic downturn, exports have been one of the bright spots in our State and local economy. The President's initiative would allow United States exporters to take advantage of the large and growing markets in Latin America and the Caribbean.

For instance, since 1987, exports from Ohio to Latin America and the Caribbean have increased 47.4 percent. Reducing a portion of the bilateral debt, as provided for in the Bereuter amendment, would provide even greater export potential for Ohio businesses.

I would urge the House to endorse the President's innovative initiative for Latin America by voting for the Bereuter amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER]. The amendment was agreed to.

AMENDMENT OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WISE: Add the following at the end of the bill:

# TITLE VI—TRADE PROMOTION EXPANSION

## SEC. 601. SHORT TITLE.

This title may be cited as the "Trade Promotion Expansion Act of 1992".

## SEC. 602. INCREASE IN COMMERCIAL SERVICE OFFICERS IN CERTAIN COUNTRIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise available, there are authorized to be appropriated \$5,000,000 for each of the fiscal years 1994 and 1995 for use by the Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service in accordance with subsection (b).

(b) USE OF FUNDS.—Amounts appropriated pursuant to subsection (a) shall be available only for placing and maintaining 20 additional Commercial Service Officers abroad. The Secretary of Commerce, acting through the Director General of the United States and Foreign Commercial Service, may place such additional Commercial Service Officers—

(1) in countries with which the United States has the largest trade deficit, and

(2) in newly emerging market economy countries, with democratically elected governments, in Central and Eastern Europe and elsewhere.

(c) REPORT TO CONGRESS.—The Secretary of Commerce, acting through the Director General of the United States and Foreign Commercial Service, shall, not later than December 31, 1995, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the implementation of subsection (b). Each report shall specify—

(1) in what countries the additional Commercial Service Officers were placed, and the number of such officers placed in each such country; and

(2) the effectiveness of the presence of the additional Commercial Service Officers in increasing United States exports to the countries in which such officers were placed.

Mr. WISE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. WISE. Mr. Chairman, I would like to explain the amendment.

Mr. Chairman, I rise today to offer an amendment to the Jobs Through Exports Act. My amendment would authorize \$5 million each in 1994 and 1995 to place and maintain 20 additional U.S. and Foreign Commercial Service officers abroad.

My amendment would also target these officers to: First, countries with whom the United States has the largest trade deficit, and second, countries with newly emerging market economies, such as Eastern Europe and the Republics of the former Soviet Union, which offer the greatest opportunity for trade expansion.

Finally, my amendment would require the Secretary of Commerce to evaluate the usefulness of these additional officers in increasing U.S. exports.

Mr. Chairman, it is important for the United States to devote greater re-

sources to marketing American products abroad. Current trade promotion efforts are completely inadequate.

For example, I believe Japan spends more promoting itself and its products in Hong Kong alone than the United States spends on promoting itself and its products throughout the world.

In many of our embassies abroad, the marketing of American exports is not a high priority.

Mr. Chairman, I believe that the promotion of U.S. trade should be a principal activity in our embassies and missions abroad, particularly in those countries which would be most receptive to American exports. In order to compete and survive in the global market we have to be willing to support a well-trained and well-equipped team of salespeople.

I believe my amendment, by targeting additional trade promotion resources at countries where there is the greatest potential for increased trade, represents a concrete step toward increasing U.S. exports abroad and creating jobs here at home.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, we have reviewed this amendment. It is an excellent amendment and I think the gentleman from Wisconsin [Mr. ROTH] also supports it, and I hope we can pass it.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, spending money on new commercial officers is a wise investment for America's trade competitiveness.

Mr. WISE. Definitely a wise investment.

Mr. ROTH. With all pun intended, right. It places U.S. Commercial Service officers in countries where the United States has its largest trade deficits, and in newly emerging market economies. This does make a lot of sense. We are engaged in global markets, and in global competition, so I think this will improve the bill, and I accept the amendment.

Mr. WISE. I appreciate the gentleman's support.

I would simply say, Mr. Chairman, this amendment is designed to put more salespeople out there hustling American goods, and I would just urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. WISE]. The amendment was agreed to.

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The CHAIRMAN. The Chair will now return to amendments to title I.

AMENDMENT OFFERED BY MR. ANDREWS OF NEW JERSEY

Mr. ANDREWS of New Jersey. Mr. Chairman, I offer an amendment.



The Clerk read as follows:

Amendment offered by Mr. ANDREWS of New Jersey: Page 2, strike line 4 and all that follows through page 55, line 23, and insert the following:

**TITLE I—TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION**

**SEC. 101. TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION.**

(a) **TERMINATION OF AUTHORITY TO MAKE NEW OBLIGATIONS.**—(1) Effective 60 days after the date of the enactment of this Act, the Overseas Private Investment Corporation shall not issue any insurance, guaranties, or reinsurance, make any loan, or acquire any securities, under section 234 of the Foreign Assistance Act of 1961, enter into any agreements for any other activity authorized by such section 234, or enter into risk sharing arrangements authorized by section 234A of that Act.

(2) Paragraph (1) does not require the termination of any contract or other agreement entered into before such paragraph takes effect.

(b) **TERMINATION OF OPIC.**—Effective 180 days after the date of the enactment of this Act, the Overseas Private Investment Corporation is abolished.

(c) **TRANSFER OF OPERATIONS TO OMB.**—The Director of the Office of Management and Budget shall effective 180 days after the date of the enactment of this Act, perform the functions of the Overseas Private Investment Corporation with respect to contracts and agreements described in subsection (a)(2) until the expiration of such contracts and agreements, but shall not renew any such contract or agreement. The Director shall take the necessary steps to wind up the affairs of the Corporation.

(d) **REPEAL OF AUTHORITIES.**—Effective 180 days after the date of the enactment of this Act, title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 and following) is repealed, but shall continue to apply with respect to functions performed by the Director of the Office of Management and Budget under subsection (c).

(e) **APPROPRIATIONS.**—Funds available to the Corporation are authorized to be transferred, upon the effective date of the repeal made by subsection (d), and to the extent provided in appropriations Acts, to the Director of the Office of Management and Budget for use in performing the functions of the Corporation under subsection (c). Upon the expiration of the contracts and agreements with respect to which the Director is exercising such functions, any unexpended balances of the funds transferred under this subsection shall be deposited in the Treasury as miscellaneous receipts.

**SEC. 102. SAVINGS PROVISIONS.**

(a) **PRIOR DETERMINATIONS NOT AFFECTED.**—The repeal made by section 101(d) of the provisions of law set forth in such section shall not affect any order, determination, regulation, or contract that has been issued, made, or allowed to become effective under such provisions before the effective date of the repeal. All such orders, determinations, regulations, and contracts shall continue in effect until modified, superseded, terminated, set aside, or revoked in accordance with law by the President, the Director of the Office of Management and Budget, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) **PENDING PROCEEDINGS.**—

(1) The repeal made by section 101(d) shall not affect any proceedings, including notices of proposed rulemaking, pending on the ef-

fective date of the repeal, before the Overseas Private Investment Corporation, except that no insurance, reinsurance, guarantee, or loan may be issued pursuant to any application pending on such effective date. Such proceedings, to the extent that they relate to functions performed by the Director of the Office of Management and Budget after such repeal, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(2) The Director of the Office of Management and Budget is authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) **ACTIONS.**—Except as provided in subsection (e)—

(1) the provisions of this title shall not affect suits commenced before the effective date of the repeal made by section 101(d); and

(2) in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this title had not been enacted.

(d) **LIABILITIES INCURRED.**—No suit, action, or other proceeding commenced by or against any officer in the official capacity of such individual as an officer of the Overseas Private Investment Corporation, shall abate by reason of the enactment of this title. No cause of action by or against the Overseas Private Investment Corporation, or by or against any officer thereof in the official capacity of such officer shall abate by reason of the enactment of this title.

(e) **PARTIES.**—If, before the effective date of the repeal made by section 101, the Overseas Private Investment Corporation or officer thereof in the official capacity of such officer, is a party to a suit, then such suit shall be continued with the Director of the Office of Management and Budget substituted or added as a party.

(f) **REVIEW.**—Orders and actions of the Director of the Office of Management and Budget in the exercise of functions of the Overseas Private Investment Corporation shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Overseas Private Investment Corporation. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function of the Overseas Private Investment Corporation shall apply to the exercise of such function by the Director of the Office of Management and Budget.

Mr. ANDREWS of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ANDREWS of New Jersey. Mr. Chairman, I want to begin by thanking the chairman, the gentleman from Con-

necticut [Mr. GEDDENSON], and the members of his subcommittee and the full committee for their cooperation in this matter. I want to note my enthusiasm for their initiatives in promoting the growth of employment in the United States.

I do have a point of difference on title I with respect to the reauthorization of OPIC and I wanted to spend a few minutes talking about that today and why I proposed this amendment that would strike that title from this reauthorization bill.

The full faith and credit of the U.S. Government and the American people is a valuable asset. No matter how we score it in a budget agreement, no matter how we allocate dollars to it on our national balance sheet, it is a valuable asset.

The guiding principle behind OPIC is that that full faith and credit of the U.S. Government and the American people is used to promote and develop certain private initiatives outside the borders of the United States. It is important that we understand the difference between what our Government does for businesses located in our country and what our Government is offering to do for businesses located outside of our country under the provisions of this proposal.

If a business person in one of our districts today, Mr. Chairman, was interested in receiving a Federal loan guarantee to start a new research lab, to initiate a new manufacturing facility, to start a new retail business, it would be a very, very unlikely and unusual thing for that American investor to receive a loan guarantee backed by the full faith and credit of the American Government.

I represent the city of Camden, N.J. There are dozens of business people who might locate in that city or in my State of New Jersey if there was a Federal loan guarantee offered on their behalf or a Federal direct loan offered on their behalf. Except in very rare circumstances, we do not do that in the Federal Government.

OPIC does. OPIC will tell us it is revenue generated from other borrowers and other beneficiaries of their guarantees that keep the corporation going. That is true. But it is also true that the major asset that OPIC deals with is the full faith and credit of the American people.

How have they used that full faith and credit in recent years? They used it for a \$14 million loan guarantee to McDonald's so they could build 16 hamburger restaurants in Brazil. They used it for a \$27 million loan guarantee for the Jamaica Grand so there could be privatization and refurbishment of a hotel, a luxury resort hotel, in Jamaica. They used it to lend \$1.8 million to a company called Data Logic for a data processing business in Grenada that could be located, in Pennsylvania

or Texas or New Jersey. They used it for a \$2.62 million loan to Caribex Dominicana for a fruit juice processing plant in the Dominican Republic.

Now, my constituents ask me, Mr. Chairman, on a regular basis, "Why do we do this? Why do we use the full faith and credit of the American people to underwrite these kinds of transactions?" And the proponents of OPIC offer us two reasons.

The first is that these transactions and others OPIC engages in create jobs here in the United States. I would submit to you, Mr. Chairman, that the burden of proof is on OPIC to show that they create jobs here in the United States.

I was fortunate enough to participate in a hearing before the Employment Opportunity Subcommittee of the Committee on Education and Labor in which we had an opportunity to ask the officials of OPIC about how many jobs were created by these and other projects. The answers that you get are answers in the aggregate, 13,000 jobs created in 1991, and you start to dig beneath those numbers: "How much on a per-project basis?" "Well, it is difficult to say. We use an economic model. This is a forecast. This is an estimate. This is a probability."

Mr. Chairman, I would submit to you and my colleagues that OPIC has not met its burden of proof to back up those numbers. It has not demonstrated to us how a loan guarantee that uses the full faith and credit of our constituents that helps to build 16 McDonald's restaurants in Brazil creates jobs in the United States. It has not met its burden of proof of demonstrating to us how guaranteeing a \$27 million bank loan guarantee for a luxury hotel in Jamaica, that they have not met their burden of proof.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. ANDREWS] has expired.

(By unanimous consent, Mr. ANDREWS of New Jersey was allowed to proceed for 2 additional minutes.)

Mr. ANDREWS of New Jersey. Mr. Chairman, the second argument they make is it is good for American foreign policy to promote the growth of American-owned businesses around the world. I agree. I agree. But I would suggest to you that the purview of the decisionmaking for that kind of foreign-policy decision is not a quasi-private corporation that is not immediately accountable to the public. It is not the American private sector in the first instance. It is the U.S. Government that can be regulated and monitored by the committees of this House and the other body whose budget is analyzed through the appropriations process in this House and the other body.

I would suggest to you that foreign policy of this country ought not to be conducted by an outfit like OPIC. It ought to be conducted by the people

duly elected by the voters of the United States.

Mr. Chairman, this is a program that has good intentions. At best, it has questionable results. I believe it has very bad results.

Let us turn the full faith credit of our constituents, our taxpayers, and our Government to the creation of businesses and jobs in the United States.

OPIC is an improper exercise of the full faith and credit of the American Government. For that reason, I would urge adoption of my amendment.

Mr. GEJDENSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New Jersey is an articulate advocate for his position, and he has two amendments. This one is simply wrong. The next one is a good amendment that will make the program even better.

I would just like to say several quick things. The American Government does provide insurance where it is needed in the United States. If you have a business in an area that gets flooded, you can get flood insurance from the Federal Government. You do not need political stability insurance in the United States, thankfully. You do in other countries.

Two examples of this self-sustaining program helping New Jersey, and there are lots of other places we could pick, but we pick New Jersey because the gentleman comes from there, OPIC provided political risk insurance coverage on performance bonds issued by a New Jersey firm for the construction, design, furnishing and installation of a telephone central office switching facility and maintenance center in Egypt. The project gave rise to \$81 million of U.S. exports. Those are jobs here in the United States, and that is why it is important when McDonald's goes someplace else. All the equipment in that store comes from the United States.

If you look at Costa Rica, OPIC provided political risk insurance for a New Jersey company to do work in Costa Rica, 45 million dollars' worth of exports.

The way you make your country richer is by increasing exports and getting value from other countries. We need programs to help us compete with the Japanese and other countries that have us outgunned. In the case of Japan, their program is 34 times as large as ours.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. Mr. Chairman, I am happy to yield to the gentleman from Florida [Mr. FASCELL], the eminent chairman of the Committee on Foreign Affairs.

Mr. FASCELL. Mr. Chairman, I ask the chairman: Does OPIC have a reserve fund that is built out of fees?

Mr. GEJDENSON. Reclaiming my time, yes, it does.

Mr. FASCELL. What is the amount of that reserve fund?

Mr. GEJDENSON. That reserve fund built out of fees from companies who get the guarantees is \$1.8 billion.

Mr. JOHNSTON of Florida. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, if I could follow along with the same analogies that the gentleman is using and use one in my State of Florida, where the chairman comes from, and it is through a \$3 million direct loan to the United States small business in Florida, the Overseas Private Investment Corporation supported the expansion of a fertilizer blending and distribution facility in Panama.

Initial capital procurement of United States manufactured machinery is projected to total an estimated \$350,000. In addition, the expansion will enable the project to significantly increase the volume of U.S.-made materials, agricultural chemicals, and machinery replacement parts. Exports of these U.S. goods will reach \$16.8 million during the 1992-96 period.

American business needs and deserves effective government support in order to penetrate these markets, and I strongly oppose the Andrews amendment.

Mr. ROTH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the interest of the gentleman from New Jersey [Mr. ANDREWS]; we need Members who challenge and question the actions of the majority.

But I must oppose the amendment offered by the gentleman from New Jersey [Mr. ANDREWS], because it would shut down a well-run agency that helps U.S. businesses and creates jobs. For example, President Bush and Russian President Boris Yeltsin stated in their summit that the best way to help the new independent states is to create trade between the United States and the Commonwealth of Independent States, and this is what we are trying to do in our bill.

The private sector must get involved by investing in these new states and by exporting U.S. goods to them.

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We are living in a global economy. OPIC is the primary way for U.S. companies to get economically involved in these states, and without OPIC, many companies will not risk investing in these new emerging countries. We must reauthorize the Overseas Private Investment Corporation, because it is one of the few ways that U.S. companies can gain access to the emerging markets.

Japan and the European community are all over Eastern Europe, as an example. We must help our companies compete.



The Overseas Private Investment Corporation costs the taxpayers nothing because it is self-sustaining, as has been pointed out.

OPIC currently has some \$1.8 billion in assets and does not receive appropriations.

This bill will even take care of the legislative changes that are needed to continue OPIC's loans and loan guarantees under the Credit Reform Act by stating that OPIC can continue to cover any costs for these activities from its revenues from insurance premiums.

So I say to the gentleman from New Jersey [Mr. ANDREWS] that while his questions are well intentioned, I think it is important to point out that we need OPIC because it has created some 460,000 jobs over the past 20 years and some 13,000 jobs in 1991 right here in the USA.

The Overseas Private Investment Corporation is not harming America. We live in a global economy and that is a fact of life. That is why the Overseas Private Investment Corporation is so important.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I also rise in strong opposition to the Andrews amendment abolishing OPIC. OPIC is one of the most successful, cost-effective job promoting programs we have. Unlike others, it actually makes money and does not really cost the Government. It has long received much bipartisan support.

OPIC's programs have provided loans and political risk insurance to American companies expanding into new markets in the developing world. This has been a win-win process.

We are able to help bolster emerging democracies and new market economies desperately in need of private, foreign investment. The success of these new democracies directly affects our national security interests. In some cases, we have invested much political, diplomatic and even military capital in an effort to support real democratic and economic changes in developing countries. But, during these tight fiscal times here at home, we are not in a position to sustain—through direct aid—our support. Private American investments ensure that these gains are not lost, but are actually strengthened.

For this reason alone, eliminating OPIC may sound pennywise, but in actuality is pound-foolish. Consider this, we have spent literally trillions of dollars over the past half-century containing and defeating the Communist Soviet threat. Well, we have succeeded. Now, for mere pennies we can help ensure Eastern Europe, Russian, and other former Communist States successfully complete the transition to democracy and free market economies.

The critics of OPIC claim our involvement in Eastern Europe with skilled labor will hurt American jobs. On the contrary, many Western European governments are sponsoring; that is, subsidizing, the private sectors in their respective countries to become heavily involved in Eastern Europe. These Western European firms are the real competitive threat to American industry. Rather than give American business an equal chance to get involved in Eastern Europe and expand into its markets, this amendment would throw away these opportunities to our fiercest competitors.

Further, it is in our national security interests to help skilled labor in these countries find productive jobs at home—especially those who were involved in nuclear and other high-technology, weapons related industries. Otherwise, they could be enticed to work for Iraq, Iran, Libya, and other terrorist countries wanting to build nuclear and other kinds of weapons of mass destruction. This is a very serious problem with great ramifications.

With the changes in Eastern Europe and the former Soviet Union, there is lots of room for economic growth. In other words, new investments that create new jobs for the skilled workers in these countries do not steal American jobs. As these formerly closed, centrally restricted economies open up and expand, many new—previously nonexistent—opportunities exist for both local and American workers.

OPIC has proven to be a winner for American business and American jobs. Businesses are naturally very reluctant to invest in foreign countries that are even marginally risky. OPIC's investment protection has made the difference time and time again prompting American investments which have resulted in very promising returns. It is not "corporate welfare." A wide range of businesses from large to small pay for OPIC assistance, and they would not do that if it did not add value to their export and investment strategy.

These new investments expand American export markets and job opportunities at home to fulfill those new export orders. There is a multiplier effect that goes far beyond the initial OPIC-related investment as bilateral trade expands. The bottom line is that OPIC-related investments help provide American jobs—over 13,000 last year alone! In all, OPIC-sponsored projects have created more than 359,000 person-years of employment right here in America.

It is important to remember that the recent recession was softened by growth in our export sector. OPIC helped promote some of that growth, generating over \$22.9 billion in U.S. exports. It is a key antirecessionary tool. Critics are correct, OPIC alone will not unilaterally solve unemployment problems in America. But, it has proved it can help.

Some of OPIC's critics have not been here in Congress for long and are perhaps unaware that their arguments have been proven inaccurate over and over again. I have heard many of the same so-called concerns about American job losses expressed about OPIC's involvement in Latin America. What has really happened? Economic growth in our neighbors to the south and increased jobs here at home.

OPIC operates on a self-sustaining basis. It operates at no net cost to the U.S. taxpayer. In fact, it takes in more money than it costs the Treasury, returning 10 times its operating budget to the Treasury. It has constantly run in the black and provides a lot of bang for the bucks obligated to it—bucks that really are not spent, but are there for the yet to happen "just in case" default.

It makes no sense to eliminate such a win-win program that benefits both national security and American jobs on the basis of election-year rhetoric and inaccurate OPIC-bashing information. If this amendment were to pass, I think there is a good chance President Bush would—rightly in my opinion—veto the bill.

If those opposed to OPIC are truly concerned about increasing American employment and cutting Government spending, I can refer them to many far superior ways to address these issues. Eliminating OPIC is not one of them. I urge my colleagues to reject this flawed amendment.

Mr. HERGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Andrews amendment, which would eliminate the Overseas Private Investment Corporation.

It is inconceivable to me that we are subsidizing investment risks overseas at a time when American small businesses find investment capital in short supply.

Have we forgotten that the unemployment rate here at home is rising? Why should we be guaranteeing overseas investment for corporate America when we need more investment in our own communities here at home?

If American companies want to invest overseas in unstable political environments, that is a risk they should have to justify to their shareholders. It is not a risk they should palm off onto the U.S. Government and American taxpayers. I urge adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. ANDREWS].

The amendment was rejected.

AMENDMENT OFFERED BY MR. ANDREWS OF NEW JERSEY

Mr. ANDREWS of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read and follows:

Amendment offered by Mr. ANDREWS of New Jersey:

Page 50, line 10, strike "INFORMATION IN AGGREGATE FORM" and insert "BASIS FOR PROJECTIONS".

Page 50, line 13, strike "Such" and all that follows through page 51, line 3, and insert the following after line 3:

"(3) MANNER OF REPORTING EFFECTS ON EMPLOYMENT.—In reporting the projections on employment required by this subsection, the Corporation shall specify, with respect to each project—

"(A) any loss of jobs in the United States caused by the project, whether or not the project itself creates other jobs;

"(B) any jobs created by the project; and

"(C) the country in which the project is located, and the economic sector involved in the project.

No proprietary information may be disclosed under this paragraph.

Mr. ANDREWS of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ANDREWS of New Jersey. Mr. Chairman, first, again let me acknowledge my appreciation to the gentleman from Connecticut [Mr. GEJDENSON] for his work with me on this amendment.

The crux of the last debate really turns in my mind around the issue of whether or not OPIC has met its burden of demonstrating that the aggregate job numbers that we just heard about job creation within the United States are in fact true.

In the hearing that I made reference to a few minutes ago these numbers were repeated, but when we dug into the essence of the numbers, tried to understand on a project-by-project basis from where they came, I do not believe the answers were satisfactory.

Chairman GEJDENSON has indicated interest in finding a way to further enlighten us on those numbers and magnify the source of those numbers; so this amendment would require OPIC to being reporting on a project-by-project basis any project in which OPIC itself estimates that there would be job loss within the United States, instead of simply reporting its job numbers on a net basis.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New Jersey. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I think the gentleman is properly addressing the concerns we ought to have on this issue. He raises some important issues.

While I think OPIC clearly creates and generates close to half a million jobs and the trade balance is all positive, we can never do enough to make sure that we are not displacing American workers.

Mr. Chairman, I support the amendment.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New Jersey. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I do believe the gentleman has a good amendment here. I think it is important for Congress to have oversight over all agencies.

Although the Overseas Private Investment Corporation's mandate is to not support projects that have any significant negative effect on U.S. industry or on U.S. workers, this additional language I think will insure that OPIC is helping to create American jobs, rather than displacing American workers.

I think the gentleman has a good amendment. I think it improves this bill, and I ask that the Members join in supporting it.

Mr. ANDREWS of New Jersey. Reclaiming my time, Mr. Chairman, I thank the chairman and the ranking member. I would hope this will permit us to make the continuing and honest evaluation of the work of OPIC.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. ANDREWS].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I? If not, the Clerk will designate title II.

The text of title II is as follows:

## TITLE II—TRADE AND DEVELOPMENT AGENCY

### SEC. 201. TRADE AND DEVELOPMENT AGENCY.

Section 661 of the Foreign Assistance Act of 1961 is amended to read as follows:

#### "SEC. 661. TRADE AND DEVELOPMENT AGENCY.

"(a) PURPOSE.—The Trade and Development Agency shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Trade and Development Agency is to promote United States private sector participation in development projects in developing and middle-income countries.

#### "(b) AUTHORITY TO PROVIDE ASSISTANCE.—

"(1) AUTHORITY.—The Director of the Trade and Development Agency is authorized to work with foreign countries, including those in which the United States development programs have been concluded or those not receiving assistance under part I, to carry out the purpose of this section by providing funds for feasibility studies, architectural and engineering design, and other activities related to development projects which provide opportunities for the use of United States exports.

"(2) USE OF FUNDS.—Funds under this section may be used to provide support for feasibility studies for the planning, development, and management of, and procurement for, bilateral and multilateral development projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States goods and services in such projects. Funds under this section may also be used for architectural and engineering design, including—

"(A) concept design, which establishes the basic technical and operational criteria for a project, such as architectural drawings for a

proposed facility, evaluation of site constraints, procurement requirements, and equipment specifications; and

"(B) detail design, which sets forth specific dimensions and criteria for structural, mechanical, electrical, and architectural operations, and identifies other resources required for project operations.

"(3) INFORMATION DISSEMINATION.—(A) The Trade and Development Agency shall disseminate information about its project activities to the private sector.

"(B) Other agencies of the United States Government shall cooperate with the Trade and Development Agency in order for the Agency to provide more effectively informational services to persons in the private sector concerning trade development and export promotion related to development projects.

"(4) NONAPPLICABILITY OF OTHER PROVISIONS.—Any funds used for purposes of this section may be used notwithstanding any other provision of law.

#### "(c) DIRECTOR AND PERSONNEL.—

"(1) DIRECTOR.—There shall be at the head of the Trade and Development Agency a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

"(2) OFFICERS AND EMPLOYEES.—(A) The Director may appoint such officers and employees of the Trade and Development Agency as the Director considers appropriate.

"(B) The officers and employees appointed under this paragraph shall have such functions as the Director may determine.

"(C) Of the officers and employees appointed under this paragraph, 2 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

"(D) Under such regulations as the President may prescribe, any individual appointed under subparagraph (C) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

"(d) ANNUAL REPORT.—The President shall, not later than December 31 of each year, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the activities of the Trade and Development Agency in the preceding fiscal year.

#### "(e) AUDITS.—

"(1) IN GENERAL.—The Trade and Development Agency shall be subject to the provisions of chapter 35 of title 31, United States Code, except as otherwise provided in this section.

"(2) INDEPENDENT AUDIT.—An independent certified public accountant shall perform a financial and compliance audit of the financial statements of the Trade and Development Agency each year, in accordance with generally accepted Government auditing standards for a financial and compliance audit, taking into consideration any standards recommended by the Comptroller General. The independent certified public accountant shall report the results of such audit to the Director of the Trade and Development Agency. The financial statements of the Trade and Development Agency shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the accountant shall be included in a report which contains, to the extent applicable, the information identified in section 3512 of title 31, United States Code, and which the Trade and Development Agency shall submit to the Congress not later than 6½ months after the end of the last fiscal year cov-



ered by the audit. The Comptroller General may review the audit conducted by the accountant and the report to the Congress in the manner and at such times as the Comptroller General considers necessary.

"(3) **AUDIT BY COMPTROLLER GENERAL.**—In lieu of the financial and compliance audit required by paragraph (2), the Comptroller General shall, if the Comptroller General considers it necessary or upon the request of the Congress, audit the financial statements of the Trade and Development Agency in the manner provided in paragraph (2).

"(4) **AVAILABILITY OF INFORMATION.**—All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Trade and Development Agency and the accountant who conducts the audit under paragraph (2), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

"(f) **FUNDING.**—

"(1) **AUTHORIZATION.**—There are authorized to be appropriated for purposes of this section, in addition to funds otherwise available for such purposes, \$55,000,000 for fiscal year 1992 and \$70,000,000 for fiscal year 1993.

"(2) **FUNDING FOR TECHNICAL ASSISTANCE GRANTS BY MULTILATERAL DEVELOPMENT BANKS.**—(A) The Trade and Development Agency should, in fiscal years 1992 and 1993, substantially increase the amount of funds it provides to multilateral development banks for technical assistance grants.

"(B) As used in subparagraph (A)—

"(i) the term 'technical assistance grants' means funding by multilateral development banks of services from the United States in connection with projects and programs supported by such banks, including, but not limited to, engineering, design, and consulting services; and

"(ii) the term 'multilateral development bank' has the meaning given that term in section 1701(c) of the International Financial Institutions Act."

#### **SEC. 202. RENAMING OF TRADE AND DEVELOPMENT PROGRAM; CONFORMING CHANGES.**

(a) **RENAMING OF TRADE AND DEVELOPMENT PROGRAM.**—The Trade and Development Program shall, on or after the effective date of this section, be known as the Trade and Development Agency.

(b) **APPOINTMENT OF PRESENT DIRECTOR NOT AFFECTED.**—The enactment of this title shall not affect the appointment of the individual who is the Director of the Trade and Development Program on the effective date of this section.

(c) **TRADE AND DEVELOPMENT ENHANCEMENT ACT OF 1983.**—(1) Sections 644, 645, and 646 of the Trade and Development Enhancement Act of 1983 (12 U.S.C. 635q, 635r, and 635s) are each amended by striking "Trade and Development Program" each place it appears and inserting "Trade and Development Agency".

(2) The section heading for section 645 of such Act is amended by striking "TRADE AND DEVELOPMENT PROGRAM" and inserting "TRADE AND DEVELOPMENT AGENCY".

(d) **TITLE 5.**—Section 5314 of title 5, United States Code, is amended by striking out

"Director, Trade and Development Program," and inserting in lieu thereof

"Director, Trade and Development Agency."

(e) **REFERENCE IN OTHER LAWS.**—Any reference in any law to the Trade and Development Program shall be deemed to be a reference to the Trade and Development Agency.

The CHAIRMAN. Are there any amendments to title II? If not, the Clerk will designate title III.

The text of title III is as follows:

### **TITLE III—AID, TRADE, AND COMPETITIVENESS**

#### **SEC. 301. SHORT TITLE.**

This title may be cited as the "Aid, Trade, and Competitiveness Act of 1992".

#### **SEC. 302. CAPITAL PROJECTS OFFICE WITHIN THE AGENCY FOR INTERNATIONAL DEVELOPMENT.**

(a) **ESTABLISHMENT OF OFFICE.**—The Administrator of the Agency for International Development shall establish a capital projects office to carry out the purposes described in subsection (b).

(b) **PURPOSES OF OFFICE.**—The purposes referred to in subsection (a) are—

(1) to develop an AID program that would focus solely on developmentally sound capital projects, taking into consideration development needs of the host country and the export opportunities for the United States; and

(2) to consider specifically opportunities for United States high-technology firms, including small- and medium-sized firms, in supporting capital projects for developing countries and for countries making the transition from nonmarket to market economies.

(c) **ACTIVITIES OF AID.**—The Administrator of AID (acting through the capital projects office), after consultation with the Trade and Development Agency and, where appropriate, the Export-Import Bank of the United States—

(1) shall support capital projects in developing countries and in countries making the transition from nonmarket to market economies;

(2) shall periodically review infrastructure needs in developing countries and countries making the transition from nonmarket to market economies and shall explore opportunities for United States firms in the development of new capital projects in these countries, keeping both United States firms and the Congress informed of these reviews;

(3) shall determine whether each capital project for which AID provides funding is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development;

(4) shall coordinate its activities with other AID offices, and work with AID country missions, in developing capital projects that provide opportunities for United States firms consistent with AID's primary mission to help developing countries with traditional development projects;

(5) shall coordinate, where appropriate, funds available to AID for tied-aid credits; and

(6) shall play a special role in helping to meet the infrastructure needs of countries making the transition from nonmarket to market economies by meeting the challenge of infrastructure assistance provided by foreign governments to those countries, including by undertaking a comprehensive study of the infrastructure needs of the various countries making the transition from nonmarket to market economies—

(A) to identify those sectors in the economies of these countries that are most in need of rebuilding, and

(B) to identify the state of technology in these countries and the opportunity for United States high technology firms to help develop a technological infrastructure in these countries, including an assessment of export opportunities for United States high technology companies.

The results of the study conducted pursuant to paragraph (6) shall be reported to the appropriate congressional committees within 12 months after the date of the enactment of this Act.

#### **SEC. 303. COORDINATION.**

The President shall utilize the existing inter-agency coordinating mechanism to coordinate activities under this title with other relevant activities of the United States Government.

#### **SEC. 304. REPORTS TO CONGRESS ON CAPITAL PROJECTS.**

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing—

(1) the extent to which United States Government resources have been expended specifically to support capital projects in developing countries and countries making the transition from nonmarket to market economies;

(2) the extent to which the activities of the United States Government have been coordinated pursuant to section 303; and

(3) the extent to which United States Government capital projects and tied-aid credit programs have affected United States exports.

#### **SEC. 305. NEGOTIATIONS OF THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT.**

If the negotiations for the implementation of the December 16, 1991, agreement within the Organization for Economic Cooperation and Development have not been completed by August 1, 1992, the Secretary of the Treasury, together with the President of the Bank, shall submit a report to the Congress on the status of the negotiations, including an analysis of the negotiations since 1987, the causes for the failure to reach an agreement by that date, and reasons the United States Government believes that continued negotiations will result in achieving the implementation of such agreement.

#### **SEC. 306. FUNDING FOR CAPITAL PROJECTS.**

The Congress strongly urges the President to use at least \$650,000,000 for fiscal year 1992 and at least \$700,000,000 for fiscal year 1993 of the total amounts made available for assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund), assistance under the Multilateral Assistance Initiative for the Philippines, and assistance under the Support for East European Democracy (SEED) Act of 1989, for grants for developmentally sound capital projects. Such grants may be combined with financing offered by private financial entities or other entities. Funds for grants under this section may not be used from amounts appropriated to carry out chapter 1 or chapter 10 of part I of the Foreign Assistance Act of 1961.

#### **SEC. 307. REPORT ON THE FEASIBILITY OF AID CREDIT GUARANTEES TO FINANCE CAPITAL PROJECTS.**

Not later than September 1, 1992, the President shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a report on the feasibility of allowing AID to offer credit guarantees for the financing of capital projects.

#### **SEC. 308. DEFINITIONS.**

For purposes of this title—

(1) the term "AID" means the Agency for International Development;

(2) the term "capital project" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic services; and

(3) the term "tied-aid credit" has the meaning given to such term in section 15(h)(1) of the Export-Import Bank Act of 1945.

#### **SEC. 309. AUTHORIZATION OF ADDITIONAL FUNDING FOR THE TRADE AND DEVELOPMENT AGENCY FOR FISCAL YEAR 1993.**

In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated for the Trade and Development

Agency \$20,000,000 for fiscal year 1993 to carry out section 661 of the Foreign Assistance Act of 1961.

AMENDMENT OFFERED BY MR. MILLER OF WASHINGTON

Mr. MILLER of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Washington: Page 67, lines 24 and 25, strike "\$650,000,000" and insert "\$100,000,000"; and strike "\$700,000,000" and insert "\$100,000,000".

Mr. MILLER of Washington. Mr. Chairman, I rise with a very simple amendment.

There are many excellent provisions in this bill which the committee, the chairman, and the ranking member deserve credit for; but there is one provision in this bill that we should definitely amend.

While the title of this bill is Jobs Through Exports, there is in this bill a provision that relates to the Agency For International Development [AID]. This provision increases AID's capital project appropriation authorization for 1993 from the \$100 million that AID and the administration requested, to \$700 million.

□ 1240

That is a \$600 million increase. My amendment, very simply, would reduce the amount back to the \$100 million that the administration and AID requested.

Now, there are two primary reasons for doing so. One relates to how this money is going to be spent, the emphasis on capital projects. If there is one conclusion that we should be able to draw after 30 or 40 years of foreign aid, it should be that the foreign aid that has been least effective has been foreign aid for capital projects. The foreign aid that has been most effective is the foreign aid that has gone to alleviate poverty and to promote free enterprise.

Indeed, the Committee on Foreign Affairs in this House, over the last several years, through various provisions, has tried to set a new direction in foreign aid, tried to encourage the alleviation of poverty, tried to promote free enterprise. This goes counter to that direction.

The second primary reason for this amendment relates to the administrative crisis—and I do not think that is an overstatement—in AID. This is an agency that presently has 400 unit offices. This is an agency that has been investigated by committee after committee after committee and commission. One thing is clear: No matter who wins the election, this agency is in for a drastic overhaul. There is no question about it.

So, why solidify another unit office in this agency, give this agency money to pursue another task when the agency itself has not asked for the money, when the administration has not asked for the money.

It is a very simple amendment. I ask my colleagues to approve the amendment and reduce this authorization back to the \$100 million requested.

Mr. GEJDENSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment is an amendment that I think the gentleman sincerely feels is correct, but I am afraid the amendment is drafted in such a way that it does not achieve what he wants. What the gentleman from Nebraska [Mr. BEREUTER] will offer shortly will achieve some of what Mr. MILLER wants.

The choice here is very simple: We either, as we presently do, hand these governments ESF funds, economic support funds, give them a stack of money and hope they do the right thing with it; or, under our provision, help American jobs, help American exports, and build them a water filtration system or something that the country needs.

It seems to me that when we take a look at what the Japanese and the Europeans have done around the globe to take away market share, that we have missed an opportunity and we have misused taxpayer funds.

What our proposal will do is provide more help for people who need it and assist exports from this country so there will be more jobs here.

When you take a look at the draft of the gentleman's amendment, the only thing the gentleman's amendment will do is protect the ability of the administration just to hand the money to the other governments. I think we are better off giving them the projects that they need.

The gentleman from Nebraska's amendment which he will offer later will provide the additional guarantees for the small projects that I think Mr. MILLER wants to protect.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore. Without objection the gentleman from Washington [Mr. MILLER] is recognized for 5 minutes.

There was no objection.

Mr. MILLER of Washington. Mr. Chairman, the chairman of this committee has referred to Mr. BEREUTER'S amendment which will follow, which I certainly support. Mr. BEREUTER'S amendment would, in essence, say, "By gosh, if we are going to have capital projects, let us try to focus them on the legitimate needs of the people in the recipient countries." That is a desirable, very desirable objective. But why, when we have a beleaguered agency such as AID, why should we be moving to increase by \$600 million an account when that agency has said they are not able to spend that money efficiently? Why should we be moving over the administration's objection to increase this account by \$600 million? And how are we doing it?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is right. What happens in the bureaucracy is sometimes they would just rather hand the money out to some of these governments and then it does not get used for what we intended it to be used.

The way we drafted this, not only do we actually help the people with the project that is intended—obviously something everybody agrees on, we are not forcing them to take these things—but additionally we help American exporters and American jobs. It is a twofer.

Mr. MILLER of Washington. But AID already has \$500 million in funds spread through different accounts for capital projects. This is a major increase in another bill, back door, trying to increase AID's appropriations. And how does it do it? The chairman earlier referred to the fact, pejoratively, of ESF funds. This amendment tries to do it by saying these funds will be taken either from ESF funds that might go to places like Egypt or even Russia. Is that not ludicrous? In another week or two, we are going to have a Russian aid bill on the floor. Where we have an amendment that is trying to increase the capital projects account and is going to do it ostensibly by taking funds that we are going to be appropriating perhaps next week. It says it will take this money from SEED, the European Democracy Act. It says it will take it from the multilateral assistance to the Philippines.

Mr. GEJDENSON. If the gentleman would yield further, it does not take the money away; it simply uses it for the project rather than handing that government the money and hope that they buy an American product in that end. We want them to buy American products when they make these projects. We want them to use American components. We want to make sure that we help both the government involved and the people who need it, and American workers.

Mr. MILLER of Washington. Reclaiming my time, I think that is a desirable objective, and you could have amendments that point toward that objective without increasing by \$600 million AID's budget for capital projects.

I ask my distinguished colleague: The purposes you want to achieve, can you not achieve these purposes without increasing the capital projects budget of AID by \$600 million?

Mr. GEJDENSON. What is going to happen is that, if you leave it as it is, the money will be spent by handing it over to these governments and hoping and praying that they use it to buy



American products or for what we want them to use it.

I think we ought to learn from our Japanese and European competitors. When they go in to provide assistance, you can be darned sure they are not buying Isuzu trucks. We ended up buying Isuzu trucks with American taxpayer dollars for a DEA project in Bolivia. I think we should have bought American trucks. The same thing goes here. We ought to use the money to buy American products to put in these places, and not just hand them the cash.

Mr. MILLER of Washington. Reclaiming my time, I am not arguing with the gentleman. I am saying, however, while it may be very legitimate, if you have a capital project, to buy American products, what we are trying to do here is to increase the least efficient, most wasteful form of foreign aid; and that least efficient, most wasteful form of foreign aid cannot be justified because American products would be bought.

□ 1540

Mr. KASICH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I say to my colleagues in order to develop some full understanding of what this amendment does and what the committee attempted to do in this area, it is my understanding—and I would like the gentleman from Washington [Mr. MILLER] to walk me through this—that we are actually increasing the capital project office in the Agency for International Development by what; \$600 million? Is that correct?

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. MILLER of Washington. Mr. Chairman, the gentleman from Ohio [Mr. KASICH] is correct.

Mr. KASICH. Now the gentleman from Connecticut [Mr. GEJDENSON] says the reason why he is doing that is to have a buy-American provision.

Mr. MILLER of Washington. That is correct.

Mr. KASICH. Well, I ask, "Can't they just offer an amendment to have a buy-American provision without increasing the account by \$600 million?"

Mr. MILLER of Washington. It would certainly seem that way to me.

Mr. KASICH. I have been confused because the gentleman has been raising this issue, and the gentleman from Connecticut [Mr. GEJDENSON] has said that he wants these foreign governments to buy American. Would the gentleman like to explain this?

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I am very eager and apologize for being so eager to answer the gentleman.

First of all, Mr. Chairman, what we are simply doing is urging the administration. It is not an authorization. It provides no extra funds to use \$200 million of the money in capital projects, and that just gives us more control in the components, and it is less likely that they will purchase other funds, and I say, "If you leave it in ESF, what happens is you transfer it to Government. You lose control."

Mr. KASICH. But is it not possible under this provision in the law for the Agency for International Development to be able to spend \$600 million more than what the administration has requested? Is that not correct?

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Washington.

Mr. MILLER of Washington. That is correct.

Mr. KASICH. It gives them the opportunity to do this.

Now my concern is when we look at the Agency for International Development, and I assume the gentleman early on entered this in the RECORD, but I think we have to reemphasize this to our colleagues: The Presidential Commission on the Agency for International Development called for major reorganization of the whole AID Program, stating that, quote, the foreign assistance program suffers from serious and persisting management problems.

What they say in there is, and a Presidential commission says this, and this is an administration that has pushed very diligently for more foreign aid; this administration is saying that the Agency for International Development does not manage their money correctly, and so what this amendment attempts to do is to leave the level of funding for AID at the administration request level and not to boost it by \$600 million extra that they would be able to spend, that they would be permitted to be able to spend.

Is that correct?

Mr. MILLER of Washington. I think that is correct.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I am certainly not a Member of this House who can be accused of supporting foreign aid because I vote against foreign aid. What we do in our bill is not add any new money, but to take money out of three accounts in AID that have the most flagrant waste.

Mr. Chairman, these accounts are the economic support fund, the Philippines multilateral assistance initiative and the SEED, the program for Eastern Europe. What our bill does is allow that money to be taken and put into capital improvements.

Why are we doing that? Because, if we put it into capital improvements,

then we can say, "If you use this money, you have to come to the United States to buy your products here, use U.S. contractors and hire Americans."

And that is why—

Mr. KASICH. Mr. Chairman, I am not trying to argue with the gentleman. I want to understand.

Mr. ROTH. I understand. So, what we are doing is creating jobs because we have this proviso in the bill.

Mr. KASICH. But this would permit though money from Eastern Europe to be transferred out of those accounts into the capital projects account.

Mr. ROTH. Yes, it would.

Mr. KASICH. And the capital projects account has functioned very inefficiently under the AID Program. So, we are giving the AID people the ability to take \$600 million more than what the administration requested to hypothetically spend it on projects, for example; in Egypt. They put this telephone line over there in Egypt, and the whole thing has been an absolute bust that has been sponsored by the AID people, and so what we are attempting to do—I mean we want to work—the gentleman from Washington and I want to work with the gentleman on the issue of buy American. But we do not want to give the AID capital projects people an opportunity to have \$600 million more to spend, particularly when it is possible for that money to be taken from places like Eastern Europe.

The CHAIRMAN pro tempore (Mr. McNULTY). The time of the gentleman from Ohio [Mr. KASICH] has expired.

(By unanimous consent, Mr. KASICH was allowed to proceed for 2 additional minutes.)

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, it is not a separate account. It simply urges them to use the funds for capital projects.

So, I think the gentleman from Ohio [Mr. KASICH] misunderstands his reading or my explanation of the bill. What this simply does is urges the administration to use it for capital projects rather than just handing over the dough.

Mr. KASICH. Mr. Chairman, let me say that we are supposed to have foreign aid structured in such a way that it goes to the benefit of those countries and those people who have problems.

Now, if we are arguing that the ESF funding is wasteful, then we ought not to be transferring that money to the AID section.

Mr. GEJDENSON. No, it does not go to the AID section. It urges that it be used within its existing section for capital projects. Because we get better control of it that way rather than hoping they will use the money for the right thing.

Mr. KASICH. But the gentleman just makes our whole point on the whole

question of where this foreign aid is going. If the gentleman is saying that we have better control on the capital projects, then that implies that the ESF funding is wasteful.

Furthermore, the capital projects account is no box of chocolates because under the capital projects account they are building all these big monstrosities that governments can point to as being something positive, and, if we take the phone system in Egypt, it is an absolute disaster over there that was built out of the capital funds account.

Now what I suggest to the gentleman is we want to work with him to solve this problem, but we do not think this is the way to solve it, to permit that transfer authority, and I would say to my colleagues who are watching this debate who support foreign aid, the gentleman from Texas [Mr. DELAY], the gentleman from Washington [Mr. MILLER], and myself, we have voted for the foreign aid bills, but we maintain that foreign aid in many sections is really inefficient and wasteful.

What I suggest we do is to adopt the amendment offered by the gentleman from Washington [Mr. MILLER] to not permit the capital account to expand by \$600 million, and let us make foreign aid efficient.

This is just one in a long series of amendments that we intend to offer to permit foreign aid, but to channel it in the right direction to make sure that the taxpayers' money is spent efficiently.

Mr. Chairman, I urge support of the Miller amendment.

Mr. DELAY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Washington [Mr. MILLER].

Mr. Chairman, we are all familiar with the dilemma of the car that leaks oil. We have two options. We spend our money to continuously pour oil into the engine and drive it for as long as that works or we pay a mechanic to fix the leak.

What we do not do, Mr. Chairman, upon finding out that our car is leaking oil is plunk big bucks down to put in leather upholstery.

Without getting into the debate over the vision of AID, there's no question that its engine is broke. It's leaking wasteful puddles of taxpayer dollars from every cylinder and gasket. I'd be happy enough just to see AID do a barely adequate job with the responsibilities it currently has.

What purpose can we serve by plunking down \$650 million to give it additional responsibilities? The AID administration itself admits it is not capable, at this time, of handling this amount of money for capital projects in an efficient manner.

But more to the point, Mr. Chairman, what are we hoping that this capital project funding will accomplish for us?

Increased exports? History shows capital project funding has had no such result.

Mr. Chairman, off the top of my head I could name a dozen projects from prenatal care to elderly health care and from economic enterprise zones to law enforcement where this more than a half billion dollars is much more desperately needed and could be more effectively used by Government assets that have not proven themselves clearly inefficient and unreliable.

□ 1600

Pouring this money into the leaking, grinding transmission of AID is wasteful and irresponsible.

Mr. Chairman, I just urge Members to support the Miller amendment to bring funding for the Capital Projects Office down to the amount requested.

Mr. KASICH. Mr. Chairman, is it not true in the Agency for International Development there is one supervisor for every three workers within that agency?

Mr. DELAY. I am not advised as to that, but if the gentleman says so, I am sure it is true.

Mr. KASICH. That is what leads to the report by the administration that indicates, and I say it again, the foreign assistance program suffers from serious and persisting management problems.

Mr. Chairman, it is inconceivable to me that we will continue to march down the road of supporting foreign aid bills without correcting and applying a tourniquet to those sections of the foreign aid bill that in some respects are literally counterproductive to the mission that the United States has established under foreign aid. This is one area where we want to work with the committee to try to fix these sections of the bill that are bleeding taxpayer dollars.

Mr. SANTORUM. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I will be glad to yield to the gentleman from Pennsylvania.

Mr. SANTORUM. Mr. Chairman, what I would say to the gentleman is, No. 1, I want to congratulate the gentleman from Washington [Mr. MILLER] for this amendment. It is an excellent amendment and very timely in this time when we are trying to focus in on America's needs.

I would ask the gentleman from Washington [Mr. MILLER] is it not true that 35 people from AID have been indicted as a result of wrongdoing with respect to this agency?

Mr. MILLER of Washington. Mr. Chairman, if the gentleman will yield, yes, in the last 2 years there has been that number of indictments of AID employees or contract employees. There are administrative problems there. I think that agency recognizes it and that is why they are saying do not give us this \$600 million now.

Mr. SANTORUM. Mr. Chairman, if the gentleman will yield further, we have an agency having trouble with their management, obviously, having serious problems, and what we are trying to do here is give them more responsibility. That does not seem to make a lot of sense.

Mr. Chairman, I encourage support of the amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, it seems to me we ought to focus on what is before us. No. 1, it is not \$600 million and it is not a new authorization.

Mr. Chairman, it is humid outside and there is going to be rain, but that does not have anything to do with the bill and the amendment that is before us.

Let me read Members the language in the bill. The Congress strongly urges the President to use at least \$650,000, which is \$200,000 roughly more, \$150,000, depending on the number for 1992, and \$700,000—

Mr. DELAY. Mr. Chairman, I think the gentleman means millions, not thousands, \$650 million.

Mr. GEJDENSON. \$650 million for fiscal year 1992 of existing funds. These are not new funds.

Mr. DELAY. Mr. Chairman, reclaiming my time, if they are existing funds that can be shifted, then we could probably save twice as much. If they are funds that you can give up to put into an inefficient program that we do not want and the agency does not want, that means there is even more money we could save.

Mr. ROTH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me first say that there are few Members in this chamber for whom I have more respect than the gentleman from Washington [Mr. MILLER], because the gentleman understands legislation. I do not remember the last time I disagreed with my friend from Washington, but I must say I will have to on this amendment, for this reason.

The Miller amendment does nothing to save taxpayer dollars. Let us get that straight. Second, it allows business as usual in foreign aid. I am very much opposed to that.

Our bill cuts \$1.3 billion out of the most wasteful parts of foreign aid, and I think that is our goal. That is what we are trying to do.

Mr. Chairman, I must agree with the chairman of the subcommittee. We have to look at the amendment before us. The Miller amendment would virtually destroy one of the most important provisions of this bill, and that is the buy America requirement for foreign aid.

By golly, if we are going to have foreign aid, at least let us make them buy



our products. That has not been the case up to now.

Under this bill \$1.3 billion would be taken away from the economic support fund of AID and allocated to building capital projects like public works, roads, and other construction projects where our companies can participate.

Our bill requires that this \$1.3 billion be spent only on American contractors, on American workers, on American goods and equipment. This is the first honest-to-goodness buy America requirement that has been imposed on foreign aid, and I say it is about time.

One of the reasons why this is so important is that the \$1.3 billion is taken from three accounts in AID where there is the most flagrant waste.

Yes, I am opposed to the way AID has been handled. Who isn't? What we are doing is taking the money away from the three most flagrant accounts, the economic support fund, the Philippine multilateral assistance initiative, and the SEED Program for Eastern Europe.

These are the accounts that are now used primarily to prop up foreign governments. What we are now doing is giving them cash. What our bill says is that instead of giving them foreign aid, money that is wasted, we want them to use these funds to at least buy our products and to hire our contractors.

So what we have done in our bill is take \$1.3 billion out of these accounts where the worst waste occurs and require that it be used for capital projects, not payoffs to foreign governments. And we require that American companies and American workers get contracts for the projects.

For me, our bill brings \$1.3 billion of taxpayer money back home to Americans, instead of seeing it lining the pockets of foreign officials.

Now, what the Miller amendment does is to reduce the \$1.3 billion set-aside to just \$200 million. In other words, this amendment takes more than \$1 billion in U.S. taxpayer money and gives it back to the foreign governments, instead of having it spent on contracts and jobs for Americans.

That is why I am asking Members to vote down the Miller amendment. There is simply no reason for supporting the amendment. If my colleagues are upset with foreign aid waste, as I am, then vote against the amendment and vote to keep the buy America requirement in this bill.

Mr. FASCELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know that the amendment is well intentioned, but it does not do what it says it is going to do. The fact is that right now out of ESF or development assistance, if you are going to transfer the money someplace else, I do not know that you have accomplished anything. You do not add anything to money that has already been appropriated. It has already been appropriated. So what we are talking

about is shifting it or putting conditions on it.

Now, what we do here in this legislation is simply put the conditions on 60 percent of ESF funds that otherwise would go to straight budgetary support. That is part of the program now. You have a piece of it that goes to development assistance, and another piece, 10 percent or less, goes someplace else. So, not to have the ESF money conditioned in the way the bill does, is a mistake.

Mr. Chairman, what is done with the amendment is simply to open it up and put it back the way it was by shifting the account. Absolutely nothing is accomplished that way. If you had some kind of a condition on the appropriation, maybe I could understand what the gentleman was trying to do. But the way it is right now I cannot see where the amendment accomplishes a thing except to mess up this bill.

Mr. SANTORUM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I want to briefly respond to some arguments that have been made.

Some Members have said that there is waste in ESF, economic support funds, or waste in the Eastern European democracy funds. If there is waste there, then cut it. If there is waste in the peace for El Salvador process, which is also eligible for the transfer of funds here, cut it. I do not think that there is waste in all these programs that is being alleged, but if there is, cut it.

Mr. Chairman, that is not an excuse to pour another \$600 million into an account where a beleaguered agency is saying we cannot spend it.

If there is one way to be sure of waste and inefficiency, it is to pour money into an account for an agency that says they cannot spend it efficiently.

Mr. Chairman, are we losing our senses where we try to give money to an agency plagued with administrative problems, plagued with indictments, and the agency says "We can't spend the money efficiently," so we do it anyway and cover it with buy American provisions and a lot of other things?

That does not excuse creating waste in foreign aid. That does not excuse focusing our foreign aid program on wasteful capital projects when it ought to be focused on alleviating poverty and promoting free enterprise.

□ 1610

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. SANTORUM. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, the gentleman does understand that most of ESF is simply funds we shove into a

country to make up for capital flight. Their rich people take the money out of the country so American taxpayers just send the money in there to stabilize their currency half the time.

What we want to do with that money is, instead of just giving it to the country, and if that gentleman wants to see waste, it seems to me there is a lot less waste when we are buying an American product and providing a water system or a sewer system that the people really need rather than handing them the cash.

That is the choice here. You do not save a dollar of taxpayer money.

The question is, Do we actually do something with it or give it to the other government and hope they do something with it.

Mr. MILLER of Washington. Mr. Chairman, if the gentleman will continue to yield, if we look at ESF projects around the world, we can find good projects, we can find bad projects. If there are bad projects, then condition those projects or cut those projects. Do not shove \$600 million out the door on projects that have the worst record in foreign aid, these big capital projects, upon an agency and an administration that does not want the money.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. SANTORUM. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, I cannot believe my ears today, that I am hearing from Members familiar with the ESF Program that we are essentially putting cash in people's pockets. We are sending money over there so they can take money out of their country, capital flight. That is what this ESF Program is all about, and the Congress of this United States continues to support these kind of programs? And we cannot get an authorization bill on this floor to correct these programs? This is unbelievable.

The gentleman has just given us the fodder to go after the ESF programs next year.

In addition to fixing the problems with the capital programs, the point of this is, our foreign aid program, which is designed to help people around the world stabilize themselves, thus benefiting us, is bleeding. It is not working. It is fraught with waste, fraud, and abuse.

We are not doing anything about it, and we ought to get it fixed, aside from this debate.

I hope that next year the gentleman from Connecticut will work with us to try to fix these particular parts of the foreign aid program.

Mr. GEJDENSON. Mr. Chairman, if the gentleman will continue to yield, there is no question in my mind that the last 12 years of management of the foreign aid budget at the executive level has been terrible. We do hope that

we will be able to fix it after November.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MILLER].

The question was taken; and the Chairman announced that the noes appeared to have it.

#### RECORDED VOTE

Mr. MILLER of Washington. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 230, not voting 20, as follows:

[Roll No. 367]

#### AYES—184

Allard	Hastert	Peterson (MN)
Allen	Hayes (LA)	Petri
Archer	Hefley	Pickle
Armey	Heger	Porter
Atkins	Hoagland	Pursell
AuCoin	Hobson	Ramstad
Ballenger	Holloway	Ravenel
Barrett	Hopkins	Ray
Barton	Horn	Rhodes
Bateman	Horton	Ridge
Bennett	Hubbard	Riggs
Bentley	Huckaby	Rinaldo
Billakis	Hughes	Ritter
Bliley	Hunter	Roberts
Boehert	Hyde	Rohrabacher
Boehner	Inhofe	Rostenkowski
Browder	Jacobs	Santorum
Burton	James	Sarpallus
Camp	Johnson (SD)	Saxton
Carper	Johnson (TX)	Schaefer
Carr	Jones (NC)	Scheuer
Chandler	Jontz	Schiff
Clinger	Kanjorski	Schroeder
Coble	Kaptur	Sensenbrenner
Combest	Kasich	Shays
Condit	Klug	Shuster
Coughlin	Kolbe	Sikorski
Cox (CA)	Kyl	Skaggs
Cramer	LaFalce	Skeen
Cunningham	Lagomarsino	Slattery
Dannemeyer	Lancaster	Slaughter
Davis	Leach	Smith (OR)
DeLay	Lent	Smith (TX)
Dicks	Levine (CA)	Snowe
Donnelly	Lewis (FL)	Solomon
Doollittle	Lowery (CA)	Spence
Dorgan (ND)	Lukens	Stallings
Dorman (CA)	Machtley	Stark
Dreier	Marlenee	Stenholm
Durbin	Martin	Studds
Early	Mazzoli	Stump
Ewing	McCandless	Tanner
Fawell	McCollum	Taylor (NC)
Fields	McCrery	Thomas (GA)
Fish	McDade	Thomas (WY)
Franks (CT)	McDermott	Thornton
Gallely	McEwen	Upton
Gekas	McHugh	Valentine
Geron	Miller (OH)	Vento
Gilchrest	Miller (WA)	Visclosky
Gillmor	Molinari	Vucanovich
Gillman	Moorhead	Walker
Gingrich	Myers	Weber
Glickman	Nichols	Weldon
Goss	Nussle	Williams
Gradison	Obey	Wylie
Green	Oxley	Young (AK)
Guarini	Packard	Young (FL)
Gunderson	Parker	Zeliff
Hall (TX)	Patterson	Zimmer
Hancock	Paxon	
Hansen	Penny	

#### NOES—230

Abercrombie	Bacchus	Borski
Ackerman	Baker	Boucher
Anderson	Beilenson	Boxer
Andrews (ME)	Bereuter	Brewster
Andrews (NJ)	Berman	Brooks
Andrews (TX)	Bevill	Brown
Annuzio	Bilbray	Bruce
Applegate	Blackwell	Bryant
Aspin	Bonior	Bunning

Bustamante	Jefferson	Pease
Byron	Jenkins	Pelosi
Callahan	Johnson (CT)	Perkins
Campbell (CA)	Johnston	Peterson (FL)
Campbell (CO)	Jones (GA)	Pickoff
Cardin	Kennedy	Poshard
Chapman	Kennelly	Price
Clay	Kildee	Quillen
Clement	Kiecicka	Rahall
Coleman (MO)	Kopetski	Rangel
Coleman (TX)	Kostmayer	Reed
Collins (IL)	Lantos	Regula
Collins (MI)	LaRocco	Richardson
Cooper	Laughlin	Roemer
Costello	Lehman (CA)	Rogers
Cox (IL)	Lehman (FL)	Ros-Lehtinen
Coyne	Levin (MI)	Rose
Crane	Lewis (CA)	Roth
Darden	Lewis (GA)	Roukema
de la Garza	Lightfoot	Rowland
DeFazio	Lipinski	Roybal
DeLauro	Livingston	Russo
Dellums	Long	Sabo
Derrick	Lowey (NY)	Sanders
Dingell	Manton	Sangmeister
Dixon	Markey	Savage
Dooley	Martinez	Sawyer
Downey	Matsui	Schumer
Duncan	Mavroules	Sharp
Dwyer	McCloskey	Shaw
Dymally	McCurdy	Sisisky
Eckart	McGrath	Skelton
Edwards (CA)	McMillan (NC)	Smith (FL)
Edwards (TX)	McMillen (MD)	Smith (IA)
Emerson	McNulty	Smith (NJ)
Engel	Meyers	Solarz
English	Mfume	Spratt
Erdreich	Michel	Staggers
Espy	Miller (CA)	Stearns
Evans	Mineta	Stokes
Fascell	Mink	Sundquist
Fazio	Moakley	Swett
Feighan	Mollohan	Swift
Flake	Montgomery	Synar
Foglietta	Moody	Tallon
Ford (MI)	Moran	Tauzin
Frank (MA)	Morella	Taylor (MS)
Frost	Mrazek	Thomas (CA)
Gallo	Murphy	Torres
Gejdenson	Murtha	Torricelli
Gephardt	Nagle	Towns
Gibbons	Natcher	Trafigant
Gonzalez	Neal (MA)	Unsoeld
Goodling	Neal (NC)	Walsh
Gordon	Nowak	Washington
Grandy	Oakar	Waters
Hall (OH)	Oberstar	Waxman
Hamilton	Olin	Weiss
Hammerschmidt	Oliver	Wheat
Harris	Ortiz	Whitten
Hayes (IL)	Orton	Wilson
Hefner	Owens (NY)	Wise
Henry	Owens (UT)	Wolf
Hertel	Pallone	Wolpe
Hochbrueckner	Panetta	Wyden
Houghton	Pastor	Yates
Hoyer	Payne (NJ)	Yatron
Hutto	Payne (VA)	

#### NOT VOTING—20

Alexander	Ford (TN)	Roe
Anthony	Gaydos	Schulze
Barnard	Hatcher	Serrano
Broomfield	Ireland	Traxler
Conyers	Kolter	Vander Jagt
Dickinson	Lloyd	Volkmer
Edwards (OK)	Morrison	

□ 1635

Mr. ROWLAND and Mr. CAMPBELL of Colorado changed their vote from "aye" to "no."

Messrs. ATKINS, STARK, OXLEY, SIKORSKI, HOAGLAND, RAY, STENHOLM, GLICKMAN, and HALL of Texas changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. (Mr. McNULTY). Are there further amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:

#### TITLE IV—UNITED STATES COMMERCIAL CENTERS

##### SEC. 401. UNITED STATES COMMERCIAL CENTERS.

(a) ESTABLISHMENT.—The Secretary of Commerce, in his or her role as Chair of the Trade Promotion Coordinating Committee, shall establish, as a 5-year pilot program, a United States Commercial Center (hereinafter in this section referred to as a "Center") in one of the independent states of the former Soviet Union or one of the Baltic states, in one country in Asia, and in one country in Latin America.

(b) PURPOSE OF THE CENTERS.—The purpose of the Centers shall be to provide additional resources for the promotion of exports of United States goods and services to the host countries, by familiarizing United States exporters with the industries, markets, and customs of the host countries, thus facilitating commercial ties and trade.

(c) FUNCTIONS OF THE CENTERS.—Each Center shall—

(1) collect and publish economic and market data with respect to the host country;

(2) provide, on a user-fee basis, preliminary technical and clerical assistance, language translation, and administrative assistance, and information regarding the legal systems, laws, regulations, and procedures of the host country, to United States exporters seeking to do business in the host country; and

(3) in other ways promote exports of United States goods and services to the host country.

(d) SPECIFIC SERVICES TO BE PROVIDED.—To carry out its objectives, each Center shall make available the following (on a user-fee basis):

(1) BUSINESS FACILITIES.—Business facilities, including exhibition space, conference rooms, office space (including telephones and other basic office equipment), and, where warranted by impeding deficiencies in the public system, high quality international telecommunications facilities.

(2) BUSINESS SERVICES.—Business support services, including language translation services, clerical services, and a commercial library containing a comprehensive collection of reference materials covering United States and host country industries and markets.

(3) COMMERCIAL LAW INFORMATION SERVICES.—Commercial law information services, including—

(A) a clearing house for information regarding the relevant commercial laws, practices, and regulations of the host country;

(B) publications to assist United States businesses;

(C) legal referral services; and

(D) lists of local agents and distributors.

(e) OTHER TRADE PROMOTION ACTIVITIES.—Each Center shall also promote United States export trade by—

(1) facilitating contacts between buyers, sellers, bankers, traders, distributors, agents, and necessary government officials from the United States and the host country;

(2) coordinating trade missions; and

(3) assisting with applications, contracts, and clearances for imports into the host country and exports from the United States.

(f) STAFFING OF CENTERS.—

(1) IN GENERAL.—Each Center shall be staffed by members of the United States and Foreign Commercial Service, participants in the Market Development Cooperator Program established under section 2303 of the Export Enhancement



Act of 1988 (15 U.S.C. 4723), other employees of the Department of Commerce, employees of appropriate executive branch departments and agencies which are members of the Trade Promotion Coordinating Committee, and Foreign Trade Fellows appointed pursuant to paragraph (2).

(2) **FOREIGN TRADE FELLOWS.**—The Secretary of Commerce shall appoint United States citizens as Foreign Trade Fellows to assist United States Government employees in staffing the Centers. The Secretary shall actively recruit individuals to serve as Foreign Trade Fellows from United States businesses, trade associations, labor unions, and the academic community. In order to facilitate the service of individuals (such as those from the academic community and smaller businesses) as Foreign Trade Fellows, the Secretary may make grants or provide stipends to Foreign Trade Fellows and may reimburse them for expenses they incur as the result of their service as Foreign Trade Fellows.

(g) **CENTER FACILITIES AND THEIR RELATIONSHIP TO UNITED STATES DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.**—

(1) **PHYSICAL ACCOMMODATIONS FOR THE CENTERS.**—The Secretary of Commerce shall locate each Center in the primary commercial city of the host country. The Secretary shall acquire office space, exhibition space, and other facilities and equipment that are necessary for each Center to perform its functions. To the extent feasible, each Center shall be located in the central commercial district of the host city.

(2) **CONSOLIDATION OF DEPARTMENT OF COMMERCE OPERATIONS IN HOST COUNTRIES.**—For the purpose of obtaining maximum effectiveness and efficiency and to the extent consistent with the purposes of the Centers, the Secretary of Commerce is authorized and encouraged to place all personnel of the Department of Commerce who are assigned to the city in which a Center is located in the same facilities as those in which the Center conducts its activities. The Secretary is authorized and encouraged to integrate activities of the Department of Commerce in the host country.

(h) **USE OF MARKET DEVELOPMENT COOPERATOR PROGRAM.**—The Secretary of Commerce shall, to the greatest extent feasible, use the Market Development Cooperator Program established under section 2303 of the Export Enhancement Act of 1988 (15 U.S.C. 4723) to assist in carrying out the purposes of the Centers established under this section.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Commerce to carry out this section \$6,000,000 for fiscal year 1993, and \$4,000,000 for each of the fiscal years 1994, 1995, 1996, and 1997. Funds made available under this subsection may be used for the acquisition of real property.

(j) **REPORTS TO CONGRESS.**—The Secretary of Commerce shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, not later than 1 year after the date of the enactment of this Act, and not later than the end of each 1-year period occurring thereafter, a report on the status, activities, and effectiveness of the Centers. Each such report shall include any recommendations with respect to the pilot program established under this section.

(k) **DEFINITIONS.**—For purposes of this section—

(1) the term "United States exporter" means—  
(A) a United States citizen,  
(B) a corporation, partnership, or other association created under the laws of the United States or of any State,

(C) a foreign corporation, partnership, or other association, more than 95 percent of which

is owned by persons described in subparagraphs (A) and (B),  
that exports, or seeks to export, goods or services produced in the United States;

(2) the term "State" means any of the several States, the District of Columbia, or any commonwealth, territory, or possession of the United States; and

(3) the term "United States" means the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

#### PARLIAMENTARY INQUIRY

Mr. GEJDENSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GEJDENSON. Mr. Chairman, how much time is remaining?

The CHAIRMAN. There is a total of 18 minutes of debate time remaining.

Mrs. MEYERS of Kansas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to commend Chairman GEJDENSON and ranking member ROTH for their focus on export promotion. This is an important issue not often addressed by Congress.

While the Federal Government does provide some useful support to U.S. exporters, we can and should do more.

In my view, the creation of four new commercial centers in title IV of H.R. 4996 is a further step in the goal of making American small- and medium-sized companies more competitive in the global market.

The point needs to be made, however, the United States and foreign commercial service does not have \$6 million to spend on the three proposed commercial centers at present. If enacted, the bill must be accompanied by additional new appropriations for the commercial service.

If new funds are not appropriated, the \$6 million will have to come out of existing programs. And these existing programs cannot be sustained with the funding the House has provided for export promotion. The House-passed Commerce-Justice-State appropriations bill provides the International Trade Administration with a reduction in export promotion funds. If this funding is not increased, the United States and foreign commercial service will have to be closed in over 30 countries.

By way of example, in Europe, the total cost of commercial service operations in key countries such as England, France, and Italy is \$5.8 million.

In Asia, the total cost of their operation in Japan, Hong Kong, and Korea is \$6.4 million.

In the Western Hemisphere, the total cost of operations for such key countries as Canada, Mexico, Argentina, and Brazil is \$6.6 million.

Let me assure my colleagues that I am not seeking to oppose the creation of U.S. commercial centers, but we have to make the responsible choice to provide the necessary funding to back up our commitments.

Mr. GEJDENSON. Mr. Chairman, will the gentlewoman yield?

Mrs. MEYERS of Kansas. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, I would like to announce that a number of Members have asked about the schedule. We have one more amendment, an amendment to be offered by the gentleman from Nebraska [Mr. BEREUTER], which we will accept, and then we will go to final passage. We do not anticipate a vote on final passage, but there will be a vote, as I understand it, on a suspension that was delayed from yesterday.

Mr. Chairman, I thank the gentlewoman for yielding.

□ 1640

The CHAIRMAN pro tempore (Mr. McNULTY). The Clerk will designate title V.

The text of title V is as follows:

#### TITLE V—OTHER EXPORT PROMOTION ACTIVITIES

##### SEC. 501. ADDITIONAL PROCUREMENT OFFICERS.

(a) **APPOINTMENT.**—The Secretary of Commerce shall appoint one or more full-time additional procurement officers to promote exports of goods and services from the United States by doing the following:

(1) Acting as the liaison between the business community and one or more multilateral development banks, whether or not the banks have offices in the United States. The Secretary of Commerce shall ensure that the procurement officer has access to, and disseminates to United States businesses, information relating to projects which are being proposed by the multilateral development bank involved, and bid specifications and deadlines for projects about to be developed by the bank. The procurement officer shall make special efforts to disseminate such information to small- and medium-sized businesses interested in participating in such projects. The procurement officer shall explore opportunities for disseminating such information through private sector, nonprofit organizations.

(2) Taking actions to assure that United States businesses are fully informed of bidding opportunities for projects for which loans have been made by the multilateral development bank involved.

(3) Taking actions to assure that United States businesses can focus on projects in which they have a particular interest or competitive advantage, and to permit them to compete and have an equal opportunity in submitting timely and conforming bidding documents.

(b) **DEFINITION.**—As used in this section, the term "multilateral development bank" has the meaning given that term in section 1701(c) of the International Financial Institutions Act (22 U.S.C. 262r(c)).

#### AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Add the following new title at the end of the bill:  
**TITLE VI—BASIC INFRASTRUCTURE FOR DEVELOPMENT**

##### SEC. 601. CAPITAL PROJECTS FOR POVERTY ALLEVIATION AND ENVIRONMENTAL SAFETY AND SUSTAINABILITY.

(a) **PURPOSES.**—The Administrator of the Agency for International Development shall develop a program, in accordance with subsection (b), that focuses on developmentally sound capital projects for basic infrastruc-

ture that will measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level, taking into consideration development needs of the host country and export opportunities for services and goods from the United States.

(b) **ACTIVITIES OF AID.**—In order to carry out subsection (a), the Administrator of AID shall, working with AID technical support staff, regional bureau staff, and country missions, identify and provide funding for capital projects to alleviate the worst manifestations of poverty or to promote environmental safety and sustainability at the community level in countries receiving assistance under the Foreign Assistance Act of 1961. Such projects may include basic sanitation systems, basic water supply and treatment, pollution control, and rural infrastructure benefiting poor communities or establishing environmentally sustainable patterns of rural development. Such projects should have measurable positive effects on indicators of human and environmental health.

#### SEC. 602. COORDINATION.

The President shall utilize the existing interagency coordination mechanism to coordinate activities under this title with other relevant activities of the United States Government.

#### SEC. 603. REPORTS TO CONGRESS ON CAPITAL PROJECTS.

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing the extent to which United States Government resources have been expended specifically to support capital projects under this title.

#### SEC. 604. DEFINITIONS.

For purposes of this title—

(1) the term "AID" means the Agency for International Development; and

(2) the term "capital project" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic studies.

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BEREUTER. Mr. Chairman, the amendment I am offering is based on the fact that U.S. development assistance activities that meet the most basic needs of the poorest people in the world and improve environmental safety and sustainability are also good for U.S. jobs and exports, particularly exports of services in the form of technical engineering expertise.

The Agency for International Development needs a more systematic program focused on direct linkages between capital projects at the community level and alleviation of poverty and environmental degradation. I am talking about clean water supplies so that 2 million people do not die of diar-

rhea each year—as they do today. I am talking about sanitation, including sewage treatment, that can keep water supplies unpolluted and healthy. I am talking about roads to transport food from villages to market towns. I am talking about environmental improvement projects for small industry in poor countries.

The amendment requires the AID Administrator to direct AID's existing capital projects activities toward the types of basic infrastructure necessary to alleviate poverty or create environmental safety and sustainability in AID-recipient countries. The amendment will add a new title which is similar and complementary to the existing title III of H.R. 4996. Title III deals with the types of capital projects that must be funded out of nondevelopment assistance resources; this Member's proposed new title will focus on requiring the development of a systematic program of small scale, community based capital projects for water supply and treatment, sewage collection and treatment and various environmental improvements that we need to emphasize at the core of our development assistance funding. It is infrastructure which benefits the poor and the environment. The amendment requires the development of a systematic program and reporting the Congress on the basic infrastructure activities undertaken; It does not specify or earmark funding amounts of sources.

The American Consulting Engineers Council [ACEC], the leading trade association representing over 4,500 U.S. firms, strongly endorse this amendment and with good cause. Projects like those eligible under my amendment have provided enormous benefits to the most needy people in developing countries while providing their many U.S. firms the opportunity to work and make export sales. American firms not only lead the world in sophisticated engineering and environmental technology, but are equipped and active in providing appropriate technology for the specific needs of poor communities in poor countries. Their expertise is used in joint ventures with local engineering firms in developing countries to provide clean drinking water and sewage treatment to control disease, irrigation and rural roads for poor areas, and systems to process and handle solid and hazardous wastes which are environmental hazards, among other projects. Exports from the United States of engineering, consulting, design, and construction services and goods are in the billions of dollars annually. American member firms are already actively engaged in many such basic infrastructure development projects, some of them financed by AID, such as the water and sanitation for health [WASH] project.

The needs and potential market for U.S. expertise are enormous: the World

Bank's 1992 world development report on environment and development just released in mid-May points out that, more than 1 billion people are still without access to safe water and 1.7 billion people are without access to adequate sanitation facilities. These are the major environmental problems that directly damage human health worldwide. Capital projects are also needed to remedy environmental damage, to apply known technologies to reduce pollution from energy and industry, and to establish standards for environmentally sound infrastructure—rural and urban, agricultural and industrial.

I would like to clarify that this amendment does not preclude AID from investing in other types of capital projects, such as telecommunications, or from cooperating with other U.S. Government agencies such as Eximbank to fight unfair tied aid credit practices in spoiled markets. These are the subjects addressed in another title of the bill. This amendment does require that major attention be paid by AID to developing a program of capital projects that contribute directly to poverty alleviation and to environmental sustainability—projects for basic needs in poor countries which create jobs in this country.

Mr. Chairman, I understand that the chairman and the ranking member are willing to accept this amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, as the gentleman from Nebraska [Mr. BEREUTER] often does, he has made an excellent addition to this bill, and from this side we support it.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, we accept this amendment, because it clarifies that, under our bill, development assistance funds continue to be used for capital projects, and this amendment is consistent with the intent of the bill and clarifies the language. It is a good amendment, and we accept it.

Mr. BEREUTER. Mr. Chairman, I thank the distinguished gentleman from Wisconsin.

Now, if I could engage the chairman in a brief colloquy, is it the gentleman's understanding that it is not the intent of title III to disallow the use of development assistance funds for the types of basic infrastructure capital projects addressed in this amendment; namely, those that directly address basic human needs and environmental safety and sustainability at the community level? The report language on H.R. 4996, section 306 may be construed to imply that when it states that "this prohibition, on the use of development



assistance funding, reflects the committee's intention not to raid the account traditionally set aside for the purpose of this section. The committee intends to protect that money so it can be used for basic human needs." Therefore, in caution, this Member would respectfully ask if it is the intent of title III to allow development assistance accounts to continue to fund basic infrastructure and capital projects that are directly meeting basic human needs, such as in the program to be developed as proposed by this amendment.

Mr. GEJDENSON. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Chairman, it was never our intention to end basic infrastructure projects which serve basic human needs—like clean water. The prohibition on using development assistance funds was placed in that section of the bill because title III primarily concerns large scale capital projects. I agree with my colleague that there is a need for small scale infrastructure overseas. I think we would also agree that development assistance funds should be used only in projects that directly serve to alleviate the worst aspects of poverty. Large scale projects, like an energy plant that will serve an entire city, should not be funded by development assistance dollars.

I am glad we had this opportunity for this exchange.

Mr. Chairman, I would like to take one moment to commend the gentleman again for his efforts on the Initiative for the Americas in that that is an additional excellent addition to the bill that will get the principal back for the American taxpayers and use the interest for projects that are generally supported.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for that compliment and also for the expression of legislative intent.

I urge my colleagues to support the amendment.

Mr. MILLER of Washington. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will be very brief.

Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Nebraska [Mr. BEREUTER].

AID's emphasis should be on alleviating poverty and promoting free enterprise to help underdeveloped countries, and the best means of achieving these goals is through small projects such as microenterprise lending or basic education programs.

However, if we are going to insist on doing capital projects, which I do not think we should do, but given the vote on the last amendment, that is what we are going to do, let us at least ensure that these capital projects work

toward the achievement of development in alleviating poverty.

This amendment offered by my colleague, the gentleman from Nebraska, at least goes part way toward that goal. I commend him for the amendment and urge its adoption.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. FAZIO. Mr. Chairman, I rise in support of the bill and want to commend the gentleman from Connecticut [Mr. GEJDENSON] and the gentleman from Wisconsin [Mr. ROTH] for their efforts in bringing this bill before the House.

The Jobs Through Exports Act will lay the groundwork for creating new markets overseas for U.S. businesses and creating jobs for American workers. Being competitive overseas will make or break us in the future. Our economy is becoming increasingly dependent on the international marketplace.

Since 1988, 70 percent of our economic growth has come from exports. In 1991, we sent a total of \$422 billion in goods and services overseas, which supports 2 million jobs here at home.

My home State of California is also poised to take advantage of export growth. We are geographically located to take advantage of the two regional international markets that hold the most promise in the coming decade—Latin America and Asia.

Fifteen percent of all good exported by the United States in 1991 came from California. That means that one out of every seven jobs created by exports are created in California.

Clearly, expanding existing foreign markets and creating new ones will have tremendous benefits for our national economy. H.R. 4996 starts this process by reauthorizing the Overseas Private Investment Corporation [OPIC]. OPIC helps U.S. companies find investment opportunity overseas, provides loans and loan guarantees to finance these investments, and offers insurance to protect these investments. OPIC does this all under the proviso that such investments do not cause job losses in the United States. And, OPIC's record demonstrates that this program works. In 1991 alone, OPIC's overseas activities created over 13,000 American jobs.

H.R. 4996 also expands the role of the new Trade and Development Agency in order to place greater emphasis on opening markets for U.S. exports in developing countries. For example, the Trade and Development Agency would provide technical assistance grants to U.S. firms in order to get U.S. consultants involved in the planning stages of multilateral development bank projects. It has already been demonstrated that when U.S. consultants are involved in these planning stages, U.S. firms have greater success in winning

contracts for projects financed by the development banks.

All in all, Mr. Chairman, the Jobs Through Exports Act holds tremendous promise for California and the United States. With passage of this bill, we have an opportunity to counter similar export enhancement efforts now undertaken by our foreign competitors. We need this legislation to help level the playing field with Japan and the European Community. I strongly urge my colleagues to support the Jobs Through Exports Act.

Mr. FRANKS of Connecticut. Mr. Chairman, I rise in support of H.R. 4996, the Jobs Through Exports Act of 1992. The reauthorization of the Overseas Private Investment Corporation [OPIC] is essential, but it must be done before September 30, when its current authorities expire. Last year OPIC created over 13,000 jobs. By delaying this legislation, we delay the creation of even more jobs.

OPIC plays an essential role in the United States efforts to assist in the rebuilding of Eastern and Central Europe. As the world grows smaller, it is important for us to recognize what contributions the United States needs to make to assist emerging democracies.

Similarly, we must recognize the importance of exporting to American businesses. Exports have served as an engine of growth for our economy. In 1991, exports directly supported 7.2 million American jobs and reduced the United States trade deficit by a third. By providing capital, technology, and training to developing countries, OPIC is able to create new trading partners. This in turn, opens up new markets for U.S. exports and creates jobs.

However, I am concerned with the fact that we are reauthorizing OPIC for only 3 years as opposed to the requested 5. I think we are tying OPIC's hands because 3 years is not a sufficient amount of time to plan and manage their operations. The demand on OPIC is growing every day as new democracies begin to request assistance from them, and a 3-year authorization is inadequate.

Mr. Chairman, in conclusion, I would just like to stress the importance of OPIC and the contributions it makes to our economy. During economically strained times, we should promote strong and sound programs that will encourage growth.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GEPHARDT] having assumed the chair, Mr. McNULTY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4996) to extend the authorities of the Overseas Private Investment Corporation, and for other purposes, pursuant to House Resolution 489, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amend-

ment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4996, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

#### COMMUNICATION FROM THE HONORABLE JOE KOLTER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable JOE KOLTER, Member of Congress:

HOUSE OF REPRESENTATIVES,  
Washington, DC, August 5, 1992.

Speaker THOMAS FOLEY,  
House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: On July 31, 1992 I informed you, pursuant to Rule L (50) of the Rules of the House, that certain employees of my office had been served with subpoenas issued by the United States District Court for the District of Columbia. In consultation with counsel it has been determined that compliance with such subpoenas would not be inconsistent with the precedents and privileges of the House.

Sincerely,

JOE KOLTER,  
Member of Congress.

□ 1650

#### RURAL ELECTRIFICATION ADMINISTRATION IMPROVEMENT ACT OF 1992

The SPEAKER pro tempore (Mr. GEPHARDT). The unfinished business is the question of suspending the rules and passing the bill, H.R. 5237, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 5237, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 359, nays 60, not voting 15, as follows:

[Roll No. 368]  
YEAS—359

Abercrombie	Allard	Andrews (ME)
Ackerman	Allen	Andrews (NJ)
Alexander	Anderson	Andrews (TX)

Annunzio	Gaydos	Mazzoli
Anthony	Gejdenson	McCloskey
Applegate	Gekas	McCrery
Aspin	Gephardt	McCurdy
AuCoin	Geren	McDade
Bacchus	Gibbons	McDermott
Baker	Gilchrest	McKwen
Ballenger	Gillmor	McGrath
Barrett	Gilman	McHugh
Barton	Gingrich	McMillan (NC)
Bateman	Glickman	McMillen (MD)
Bennett	Gonzalez	McNulty
Bereuter	Goodling	Mfume
Berman	Gordon	Michel
Bevill	Goss	Miller (CA)
Billbray	Grandy	Mineta
Billrakis	Green	Mink
Blackwell	Guarini	Moakley
Bliley	Gunderson	Mollohan
Boehert	Hall (OH)	Montgomery
Boehner	Hall (TX)	Moody
Bonior	Hamilton	Moran
Borski	Hammerschmidt	Morella
Boucher	Hancock	Morrison
Boxer	Hansen	Mrazek
Brewster	Harris	Murtha
Brooks	Hastert	Myers
Browder	Hayes (IL)	Nagle
Brown	Hayes (LA)	Natcher
Bruce	Hefley	Neal (MA)
Bryant	Hefner	Neal (NC)
Bunning	Herger	Nichols
Burton	Hoagland	Nussle
Bustamante	Hobson	Oaker
Byron	Hochbrueckner	Oberstar
Callahan	Holloway	Obey
Camp	Hopkins	Olin
Campbell (CO)	Horn	Oliver
Carper	Horton	Ortiz
Carr	Houghton	Orton
Chandler	Hoyer	Owens (NY)
Chapman	Hubbard	Owens (UT)
Clay	Huckaby	Oxley
Clement	Hughes	Pallone
Clinger	Hunter	Panetta
Coble	Hutto	Parker
Coleman (MO)	Hyde	Pastor
Coleman (TX)	Jefferson	Patterson
Collins (IL)	Jenkins	Paxon
Collins (MI)	Johnson (CT)	Payne (NJ)
Combest	Johnson (SD)	Payne (VA)
Condit	Johnston	Pease
Cooper	Jones (GA)	Pelosi
Costello	Jones (NC)	Penny
Cox (IL)	Jontz	Perkins
Coyne	Kanjorski	Peterson (FL)
Cramer	Kaptur	Peterson (MN)
Cunningham	Kasich	Petri
Darden	Kennedy	Pickett
Davis	Kildee	Pickle
de la Garza	Kleczka	Poshard
DeFazio	Klug	Price
DeLauro	Kolbe	Quillen
Dellums	Kopetski	Rahall
Derrick	Kostmayer	Ramstad
Dicks	Kyl	Rangel
Dingell	LaFalce	Ravenel
Dixon	Lancaster	Ray
Donnelly	Lantos	Regula
Dooley	LaRocco	Rhodes
Dorgan (ND)	Laughlin	Richardson
Downey	Leach	Ridge
Durbin	Lehman (CA)	Roberts
Dwyer	Lehman (FL)	Roemer
Dymally	Lent	Rogers
Early	Levin (MI)	Ros-Lehtinen
Eckart	Levine (CA)	Rose
Edwards (CA)	Lewis (CA)	Rostenkowski
Edwards (TX)	Lewis (FL)	Roth
Emerson	Lewis (GA)	Roukema
Engel	Lightfoot	Rowland
English	Lipinski	Roybal
Erdreich	Livingston	Russo
Espy	Lloyd	Sanders
Evans	Long	Sangmeister
Ewing	Lowery (CA)	Sarpallus
Fazio	Lowey (NY)	Savage
Feighan	Luken	Sawyer
Fields	Machtley	Schaefer
Fish	Manton	Schiff
Flake	Markey	Schroeder
Foglietta	Marlenee	Serrano
Ford (MI)	Martin	Sharp
Frost	Martinez	Shaw
Galleghy	Matsui	Shuster
Gallo	Mavroules	Sikorski

Sisisky	Swett	Visclosky
Skaggs	Swift	Vucanovich
Skeen	Synar	Washington
Skelton	Tallon	Waters
Slattery	Tanner	Waxman
Smith (FL)	Tauzin	Weber
Smith (IA)	Taylor (MS)	Weiss
Smith (NJ)	Taylor (NC)	Weldon
Smith (OR)	Thomas (CA)	Wheat
Smith (TX)	Thomas (GA)	Whitten
Snowe	Thomas (WY)	Williams
Solarz	Thornton	Wilson
Spence	Torres	Wise
Spratt	Torricelli	Wolf
Staggers	Towns	Wolpe
Stallings	Trafiacant	Wyden
Stark	Unsoeld	Yates
Stenholm	Upton	Yatron
Stokes	Valentine	Young (AK)
Studds	Vander Jagt	Zeliff
Sundquist	Vento	

#### NAYS—60

Archer	Henry	Reed
Armey	Inhofe	Riggs
Atkins	Ireland	Rinaldo
Bellenson	Jacobs	Ritter
Bentley	James	Rohrabacher
Campbell (CA)	Johnson (TX)	Santorum
Cardin	Kennelly	Saxton
Coughlin	Lagomarsino	Scheuer
Cox (CA)	McCandless	Schumer
Crane	McCollum	Sensenbrenner
Dannemeyer	Meyers	Shays
DeLay	Miller (OH)	Slaughter
Doolittle	Miller (WA)	Solomon
Dornan (CA)	Mollinari	Stearns
Dreier	Moorhead	Stump
Duncan	Murphy	Walker
Fawell	Nowak	Walsh
Frank (MA)	Packard	Wylie
Franks (CT)	Porter	Young (FL)
Gradison	Pursell	Zimmer

#### NOT VOTING—15

Barnard	Fascell	Roe
Broomfield	Ford (TN)	Sabo
Conyers	Hatcher	Schulze
Dickinson	Hertel	Traxler
Edwards (OK)	Kolter	Volkmer

□ 1713

Mr. SCHUMER and Mr. DREIER of California changed their vote from "yea" to "nay."

Messrs. ORTIZ, PAXON, and SMITH of Texas changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4394, REQUIRING MERCHANT MARINERS' DOCUMENTS FOR CERTAIN SEAMEN

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-784) on the resolution (H. Res. 540) providing for the consideration of the bill (H.R. 4394) to amend title 46, United States Code, to require merchant mariners' documents for certain seamen, which was referred to the House Calendar and ordered to be printed.



# REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5466, AIRLINE COMPETITIVENESS ENHANCEMENT ACT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-785) on the resolution (H. Res. 541) providing for the consideration of the bill (H.R. 5466) to amend the Federal Aviation Act of 1958 to enhance competition among air carriers by prohibiting an air carrier who operates a computer reservation system from discriminating against other air carriers participating in the system and among travel agents which subscribe to the system, and for other purposes, which was referred to the House Calendar and ordered to be printed.

# REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 246 RELATION OF TRADE AGREEMENTS TO HEALTH, SAFETY, LABOR AND ENVIRONMENTAL LAWS

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-786) on the resolution (H. Res. 542) providing for the consideration of the concurrent resolution (H. Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States, which was referred to the House Calendar and ordered to be printed.

# REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3603, FAMILY PRESERVATION ACT

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 102-787) on the resolution (H. Res. 543) providing for the consideration of the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services, which was referred to the House Calendar and ordered to be printed.

# PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 4547, THE FREEDOM SUPPORT ACT OF 1992

Mr. HALL of Ohio. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report from the Committee on Rules providing for the consideration of the bill, H.R. 4547, the Freedom Support Act of 1992.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. WALKER. Reserving the right to object, Mr. Speaker, and I shall not object, but I ask if it is the understanding that if, in fact, we can file the rule by midnight, as the gentleman from Ohio [Mr. HALL] has requested, then we would expect to have that bill on the floor tomorrow for consideration?

Mr. HALL of Ohio. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. HALL of Ohio. Mr. Speaker, I cannot speak to the floor schedule for tomorrow, and I do not have the authority right now.

Mr. WALKER. That can be assumed to be the reason why the gentleman is rushing to get a rule out there, so in fact it will be eligible for consideration tomorrow.

Mr. HALL of Ohio. I would assume so.

Mr. WALKER. I thank the gentleman.

Mr. HALL of Ohio. We have just been informed, Mr. Speaker, that it will be tomorrow.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

# VOUCHER PROMISE IS A FRAUD

(Mr. FORD of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous material.)

Mr. FORD of Michigan. Mr. Speaker. President Bush has proposed a GI bill for children which would give a voucher of \$1,000 to students in elementary and secondary schools. This voucher could be used at any public or private school.

When this proposal was made, Bush's press secretary was quoted as saying that it has no chance of passage this year but is being laid out as a campaign document. Mr. Marlin Fitzwater said that it "sets the stage for passage" in a second Bush term.

Mr. Speaker, the working people of this country who skimp and save to pay tuition for their children to attend parochial school are being used by the President for political purposes. The White House admits there is no chance to enact this bill and everyone who understands constitutional law knows that the Supreme Court would declare it unconstitutional even if it were to be enacted.

Therefore, all Bush is doing is misleading parents of parochial school students so that he can have their votes in the fall and then forget them afterwards. If Bush were the real education President, he would be addressing the hard problems in education and not using good people for political reasons.

I include an article from the Washington Post of June 26 on this issue:

# BUSH OFFERS SCHOOL "CHOICE" PILOT PLAN

(By Ann Devroy)

President Bush, who has struggled for months to formulate a domestic agenda for a second term, returned to education reform yesterday, unveiling a \$500 million pilot program to provide \$1,000 stipends to parents to send their children to private or public schools.

It was the third time in a month Bush has cited education reform as a major goal if he is reelected and emphasized the need to give parents a "choice" to opt out of the public school system by giving them funds to pay part of the costs of private schools.

Administration officials acknowledge the proposal has no chance of passage this year but is being laid out as a campaign document. White House press secretary Marlin Fitzwater said it will allow for a debate on the choice concept and "sets the stage for passage" in a second Bush term.

The proposal, dubbed a "GI Bill for Children" by the White House, would provide \$1,000 grants to lower- or middle-income families, with an income cutoff of \$40,000 for a family of four. If the parent chose a public school, half the money would go to the school and the other half to the parent for remedial or extra educational costs. If the parent chose a private school, the school would get the funds. Religious schools would be eligible under the program.

Some form of public financing for private schools has been a favorite Republican proposal for a decade—President Ronald Reagan pushed tuition tax credits for private school parents and, more recently, Bush has unsuccessfully pushed his choice programs in Congress. The Senate in January rejected an earlier Bush proposal for \$30 million worth of choice demonstration projects.

Later yesterday, at a political rally with College Republicans, Bush cited education reform as part of the agenda to get him reelected. "It's strong and it's new and it's good, and that is a total reform, a revolution in American education," he told the audience.

Critics argue such programs will undermine public schools by encouraging motivated, involved parents to move their children into private schools. Using tax dollars for religious schools is unconstitutional, they also argue.

But Bush, surrounded by youngsters in a photogenic White House South Lawn ceremony attended by 1,300 guests, defended the concept of allowing federal funds for use in private schools, saying the grants are not to the schools but to families. "For too long, we've shielded schools from competition [and] allowed our schools a damaging monopoly power," Bush said.

Education Secretary Lamar Alexander told reporters that restricting choice to public schools "would be like giving bonuses to Russian car manufacturers and saying, 'work a little harder,' or asking Pony Express to run faster."

Keith Geiger, president of the National Education Association, said the program is "nothing more than desperate election-year rhetoric" aimed at conservatives and that it would be a "dangerous threat" to the nation's public school system, a point echoed by several Democratic congressmen involved in educational issues.

# AMERICAN HEALTH CARE NIGHTMARE

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, I would like to bring to the attention of the House, an article which appeared in last week's Philadelphia Inquirer, detailing another example of the American health care nightmare.

Six-year-old Zahra Jessa, a native of Dallas, was visiting relatives with her parents in Vancouver when she developed a severe lung condition.

After her admission into the hospital however, it was discovered that Zahra's family did not have any medical insurance, and therefore could not have the child transferred to a hospital in the United States.

Zahra Jessa is in medical exile, and cannot return to her own country. For 2 years, this little girl and her family have petitioned many hospitals in the United States to receive her, and care for her, but it is always the same story. No insurance. No care.

The Jessa family represents a small fraction of the American public whose lives are being held hostage by a broken health care system. Nearly 10 million children in this Nation do not have adequate health insurance.

So is it really surprising Mr. Speaker, that a major Canadian paper recently speculated the following in an editorial:

So which is the better system President Bush? Yours with instant bypasses for those who can afford them, or ours with short waiting lists for some surgery but instant care for those who can't afford it in your country.

The time has come to provide adequate health care for every single citizen of this Nation. Large and small, rich and poor.

Let's open up our hospitals, and welcome Zahra Jessa home.

I would like to submit a reprint of this article for the RECORD, and I urge my colleagues to take the time to read it.

The article referred to follows:

[From the Philadelphia Inquirer, July 28, 1992]

## AN AMERICAN GIRL STAYING IN CANADA IS A MEDICAL EXILE

(By Robert Steinbrook)

A 6-year-old American girl with severe lung disease has spent nearly a third of her life in a children's hospital in Vancouver because Canadian officials have been unable to find an American hospital that will supervise her care.

Now, after spending more than \$1 million over the last two years, the Canadian government is trying to close the door on Zahra Jessa: Canadian immigration authorities last week ordered Zahra and her family deported. The deportation of the child, who until recently had no health insurance, is contingent on arranging for her medical care in the United States.

The case has turned Zahra, her mother and her younger sister into medical exiles. It has outraged Canadians as well as advocates of health-care reform in the United States.

Despite more than a year of intensive efforts, "we have been unsuccessful in getting any jurisdiction in the United States to take responsibility for the care of this child," said John H. Tegenfeldt, the president of British Columbia's Children's Hospital, where Zahra has lived since July 1990. "It is a real reflection of problems in the health care system that exist in the [United States]."

"It really is an indictment of the American health care system," said Arthur Caplan, director of the Center for Biomedical Ethics at the University of Minnesota at Minneapolis. "The little girl and her family have wound up in a medical limbo."

Dr. Paula Braveman, a health policy researcher at the University of California, San Francisco, said the situation is "really disgraceful" and a "particularly poignant example of where our health care system is headed, unless we take some dramatic action. \*\*\* The safety net isn't there."

Tegenfeldt called Zahra a "very delightful child." While on a personal level "everybody is concerned to provide the best for this patient and have actually grown very attached to her," the hospital's primary responsibility is to care for Canadians, he said.

Nevertheless, "we will not send this child elsewhere if she cannot be cared for appropriately," he said. "We are not going to just dump this child."

The child's plight became known in Canada earlier this month when it was publicized in the Vancouver newspapers.

"So which is the better system, President Bush?" the Vancouver Province subsequently editorialized. "Yours with instant [heart] bypasses for those who can afford them, or ours with little waiting lists for some surgery but instant care for those who can't afford health insurance in your country."

About 9.8 billion children in the United States, or 15 percent of all American children, were uninsured in 1990, according to the Employee Benefit Research Institute in Washington, D.C. This number is believed to have increased as the recession has thrown more Americans out of work and triggered cutbacks in government services.

Canada has a universal health insurance system, which is often discussed, particularly in this presidential election year, as a possible model for health-care reform in the United States.

Canada spends far less of its gross national product on health care than the United States, while providing health insurance for all of its citizens. Canadians have longer life expectancies than those in the United States, and Canadian babies are less likely to die during the first year of life than U.S. babies, according to studies.

The Canadian system, however, is criticized for shortages of expensive new technologies and waiting lists for some surgeries.

The Jessa family has declined to discuss the case. According to hospital officials, the child, who has a chronic fibrotic lung condition, was visiting relatives in British Columbia two years ago when she developed severe shortness of breath. At the time, her family was living in Dallas.

Zahra was taken to the hospital, and physicians admitted her to the intensive care unit. The hospital did not find out until later that her parents had no insurance and were not able to pay for her care.

Some U.S. hospitals would have performed "wallet biopsies" before admitting such a

patient, and "even in an emergency, they would have avoided her like the plague" for financial reasons, Caplan said.

The child's respiratory difficulties were so severe that she required a tracheostomy, an opening made into the windpipe through the neck so that a breathing tube can be inserted. She is now dependent on a ventilator to breathe and has been living in the hospital's 22-bed pediatric intensive care unit.

Her condition has gradually become stable enough that she could be treated at home with nursing assistance, Canada's Tegenfeldt said. As a non-resident, however, Zahra is not eligible for such outpatient services in Canada.

Tegenfeldt said hospital officials have been trying to transfer Zahra to an American hospital since the middle of 1991.

First they tried two Dallas hospitals, a country facility and a pediatric facility, which Tegenfeldt declined to name.

"Both absolutely refused to the extent that they were prepared to take legal action to stop the child from coming," Tegenfeldt said.

Subsequently, the family has established residence in Washington, and the child has gained eligibility for Medicaid, the state and federal health insurance program for the poor. The hospital is now working with Children's Hospital and Medical Center in Seattle, home health agencies and the state Medicaid office to try to devise a plan for her care.

□ 1720

## INSURERS MUST TREAT CHICAGO FAIRLY

The SPEAKER pro tempore (Mr. PEASE). Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, on April 13, water from the Chicago River broke through an underground tunnel, resulting in flooded basements throughout downtown Chicago. Many businesses large and small suffered property damage and interrupted operations.

As the Congresswoman representing the downtown Chicago area and as chairwoman of the Subcommittee on Commerce, Consumer Protection, and Competitiveness, which has jurisdiction over insurance, I have been very concerned with how insurance policyholders are treated in the aftermath of this disaster. Immediately after the flood, I wrote major property and casualty insurance trade associations, urging them and their member insurance companies to respond as quickly and as fully as possible to flood-related claims.

The letters resulted in positive responses. Representatives of the various trade associations and member companies responded and contacted me and my staff, offering their assistance and advice.

A number of large insurers, such as Chubb Corp., the St. Paul Co., and Commercial Union Insurance Co., recognizing the unusual nature of this dis-



aster, have agreed to pay claims, even though they may have chosen to delay the claims process and force expensive litigation by invoking fine print exclusions in insurance policies, and attempting to redefine the meaning of the term "flood." This would have left it up to courts to decide whether the claims were covered, and in the meantime, business and individuals in Chicago would be left to suffer severe economic losses. These public spirited companies are doing the right thing, and are taking their responsibilities to the public and to policyholders seriously.

But one large insurance company, CNA, ironically located in Chicago, is taking its responsibilities far less seriously, by refusing to pay its policyholders. According to last week's Chicago Tribune, CNA is the "only large insurer" to deny certain claims by local businesses related to the Loop flood. This denial is apparently based on a fine print, strict interpretation of insurance policy language. This is an outrageous decision and I have so informed CNA in writing.

Whatever the legal arguments may be on each side, litigation would be costly and time-consuming for both sides. While other non-Chicago-based large insurers agree to pay claims, Chicago's own CNA stands alone in its refusal. What has happened to the notion of being a good corporate citizen?

Even if CNA believes it is not legally required to pay claims, it certainly has the option to voluntarily agree to do things it is not required to do. Furthermore, if CNA is concerned about setting a possible adverse precedent, it can make clear it is not waiving any legal rights. Indeed, paying these claims would create a positive precedent for the treatment of Chicago businesses by other insurers.

During the past year and a half, my subcommittee has been investigating the cause and effects of insurance insolvencies on individuals. We have seen the devastating impacts the failures of Executive Life and Mutual Benefit have had on people such as Olga Pegelow, a Chicago resident, who saw her annuity payments cut by 30 percent, and the employees of the University of Illinois at Chicago, who saw their pension funds frozen. These cases represented failed promises.

Mr. Speaker, representatives of the insurance industry often wonder why the industry has a poor public image. The failed promises of CNA provide the explanation. For the sake of Chicago businesses and citizens, I strongly urge CNA to reconsider its unfortunate decision.

#### THE FRIENDSHIP FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. JENKINS] is recognized for 5 minutes.

Mr. JENKINS. Mr. Speaker, our world has appeared on the brink of doom so many times it is refreshing to call attention to those who would live by the golden rule, something that sometimes surprises us. We aren't used to it.

But even as he topples on the brink of self destruction, man always finds a starting point to rise against whatever odds may be stacked against him.

While there is still war, violence, corruption, and bitterness, there also is a clamor for peace that more and more pricks the pride and vanity of those who seek power by subjugating our friends and neighbors to their own selfish motives.

Playing a major role in a unique enemy-to-friend relationship is a worldwide organization active on all of our continents except Antarctica.

I speak of the Friendship Force, formed 15 years ago by a Presbyterian minister, Wayne Smith, who is from my state of Georgia. The Reverend Mr. Smith spoke in glowing terms of his idea at that time—the goal was to develop personal friendships that would further world peace and understanding.

The Friendship Force has never deviated from those brave objectives, and as of today there have been more than 100,000 individuals who have taken an active part in this program at their own expense, to live and work for brief periods with those in other countries. They have broken barriers in many ways, simply by allowing the true spirit of friendship to have its way.

The Friendship Force has spread in these past 15 years to approximately 50 nations and nearly all of the 50 States. Its premise is one of hands-across-the-seas, personal friendships that grew among the people of the world through the opportunity to share in each other's lifestyle.

It is for this reason that I have nominated the Friendship Force to be considered for this year's Nobel Peace Prize.

The first exchange of the Friendship Force 15 years ago was planned carefully. The exchange involved 300 Friendship Force ambassadors from Georgia who would visit Newcastle, England, and 300 from that country who would visit Georgia.

The exchange was made on July 4, and not since Paul Revere's ride more than 200 years earlier had Americans been excited for the same reason—at least this was true in Atlanta where the byword was: "The British are Coming."

The British joined in Atlanta's Fourth of July parade. And in Newcastle the British cheered the Americans who marched through their streets to celebrate the American Independence Day.

The world is getting smaller all the time, as the saying goes. Certainly more people are traveling about the world now than at any time in history.

The Friendship Force has a list of what it calls its 10 commandments, and it might help the rest of us if we consider them as we move about the world.

No. 1: Thou shalt not expect to find things as thou has them at home, for thou left thy home to find them different.

No. 2: Thou shalt not take anything too seriously—for a carefree mind is the beginning of a joyful experience.

No. 3: Thou shalt not let the other Ambassadors get on thy nerves—for thou art paying out good money to have a good time.

No. 4: Remember thy passport so that thou knowest where it is at all times, for a person without a passport is a person without a country.

No. 5: Blessed is the person who can make change in any language—for lo, he shall not be cheated.

No. 6: Blessed is he who can say "thank you" in any language—and it shall be worth more to him than tips.

No. 7: Thou shalt not worry. He that worries hath no pleasure—and few things are ever fatal.

No. 8: Thou shalt when in Rome do somewhat as the Romans do; if in difficulty thou shalt use thy common sense and friendliness.

No. 9: Thou shalt not judge the people of a country by one person with whom thou has had trouble.

No. 10: Remember thou art a guest in every land—yea, he that treateth his Host with respect shall be treated as an honored guest.

It is through such simple rules that the Friendship Force has operated since its beginning. And it takes a certain amount of courage to go into a strange household in a strange land just to get to know people, and have them know you.

But it has happened not only in our own country, but in Mainland China, in Japan where former soldiers of the old empire and America got together, behind the old Iron Curtain, where former comrades in arms drank with their former enemies, and the Berlin Wall crumbled and the spirit of freedom was allowed to move among the people of the world.

That is why I believe the Friendship Force deserves the Nobel Prize for peace.

Mr. Speaker, I want to take this opportunity to invite all of my colleagues to learn about the Friendship Force, for it has made a place in history for peace throughout the world.

□ 1730

#### CASHING IN ON A SWEET DEAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I rise this evening and am reminded of a famous American comedian, Jackie Gleason, who used an expression, "How sweet it is."

Well, tonight I want to talk to my colleagues about a very sweet deal. And if there are any sugar beet farmers or Americans who are concerned about

jobs in America, this is a good special order to pay attention to.

I am here tonight to expose a serious and continuing abuse by U.S. trade negotiators who sell out to the opposition.

I learned today that the chief United States negotiator representing our country, the United States, in the North America Free-Trade Agreement between Mexico and the United States, specifically the negotiator who was in charge of the sugar provisions, has walked through that famous revolving door and switched sides before the ink has dried on the very agreement he negotiated.

Agriculture Department official Cleveland Marsh, who has been negotiating the agreement that the United States sugar interests fear could leave the United States sugar market vulnerable to huge imports of Mexican sugar over the next several years after the agreement is enacted.

He has been serving as the U.S. Government official in charge of controlling sugar quotas and, in fact, he should be working hard for the interests of U.S. sugar people. Yet as soon as he put the United States-Mexican agreement together, he has turned around to go to work for the Kraft General Foods, Inc., one of the biggest sugar buyers in North America and, I might add, one of the biggest opponents of United States sugar interests.

So for every beet farmer in my district who is slaving over the fields to make a decent living, this is a fellow they will want to get to know.

I ask my colleagues, just whose interests was Mr. Marsh really representing at the negotiating table? He certainly is no going to cash in on his special knowledge and privilege gained at taxpayer expense. The American people have the right to know exactly whose side their trade negotiators are on.

For the record, I want to know when Mr. Marsh received his offer to go to work for Kraft. I want to know through what process he was approved.

Mr. Marsh may technically have not violated any specific U.S. ethics or post-employment restriction laws, but his actions are clearly suspect.

Let me remind my colleagues that he is going to work for a company that will be a direct beneficiary of the sugar deal he just negotiated. I am going to repeat that. He is going to work for a company that will be a direct beneficiary of the sugar deal he just negotiated.

Now, if this is an acceptable practice, then I say we must further tighten our laws to close down the damaging revolving door. We must demand higher standards for our trade negotiators, for they are in the front lines in the fight to promote jobs here at home, the economic interests of the United States, here for our people and also abroad. And they are supposed to be our trust-

ed soldiers in America's quest for equal access and fair treatment for our farmers, for our businesses, for our industries and for our workers in world markets.

This is one Member of Congress who will not tolerate switching sides and conflict of interest among U.S. trade negotiators. Last April I released the findings of a GAO study on the revolving door. And that scandal has permeated our high level Government officials.

GAO identified 82 former high-level Federal officials, including Members of Congress, White House officials, congressional staff, and executive agency officials who left the U.S. Government between 1986 and 1991 to represent foreign interests before the U.S. Government.

Now, we have strengthened our postemployment ethics laws, but they are just not sufficient to stop this type of practice.

I have proposed the creation of a professional trade service corps and will be introducing legislation very shortly to provide increased career opportunities to keep excellent people in government service and to curb the current practice of our trading negotiators cashing in on the deals that they just negotiated.

My legislation will tighten the conflict of interest standards to make it virtually impossible for seasoned trade negotiators to switch sides at the negotiating table and, for personal gain, sell the knowledge that they have gained at taxpayers' expense to private clients.

But, my fellow Americans, that is exactly what continues to go on in our country. The bill I will be shortly introducing, I hope, will receive the support of our colleagues and will pass in the 103d Congress.

An article from the Wall Street Journal follows:

#### U.S. TRADE-TALKS OFFICIAL RESIGNS TO BE SUGAR BUYER

WASHINGTON.—An Agriculture Department official involved in trade negotiations that could allow more imports of Mexican sugar is resigning to become a sugar buyer for Kraft General Foods Inc.

A spokesman for Kraft, a unit of Philip Morris Cos. and one of the nation's largest food companies, confirmed that Cleveland Marsh has been hired and would buy sugar for the company's North American businesses starting Sept. 1.

Industry officials said Mr. Marsh has been involved in U.S. negotiations with Mexico and Canada for a North American free-trade agreement. An Agriculture Department spokesman said Mr. Marsh recused himself from the talks when he informed his superiors that he was taking the job at Kraft.

A tentative sugar pact has been reached as part of the free-trade negotiations, which would link the economies of the three countries into a single trading bloc.

Sugar industry officials say the accord could leave the U.S. market open to huge shipments of Mexican sugar about the turn of the century, depressing growers' prices

but benefiting industrial buyers such as Kraft. Mr. Marsh couldn't be reached immediately.

#### TRIBUTE TO JEANNE HYDE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 60 minutes.

Mr. FISH. Mr. Speaker, it is with deep sadness that I rise to pay tribute to Jeanne Marie Simpson Hyde, wife of my friend and our colleague, HENRY HYDE, who passed away Tuesday, July 28, after a long and courageous battle with cancer. On behalf of all the Republican members and staff of the House Judiciary Committee, my personal staff and my family, I wish to express since condolences to HENRY and their family—their children: Henry, Jr., Laura, Robert, and Anthony; and their grandchildren: Daniel, Veronica, Andrew, Patrick, and Frederick. We share your sorrow.

For several months, many of us have been privileged to witness an inspiring display of strength, love and deep faith in the Hyde family. It has been my honor to serve with a dedicated and brilliant public servant, HENRY HYDE. During his wife's illness I have been even more humbled by his fortitude, character, and commitment to the wife he loved and the country he so selflessly serves.

Jeanne Hyde was one of the most beautiful women I have ever met. Her infectious spirit, open countenance, and genuine love of people, made her a joy to know. She served in the White House in the administrations of Presidents Reagan and Bush. Active in both the Illinois and Washington communities, Jeanne also contributed her talents and energies to the work of St. Charles Borromeo Catholic Church in Bensenville, the Cathedral of St. Thomas More in Arlington, the International Neighbors Club, the Republican National Women's Federation of Illinois, and the Park Ridge Women's Republican Club, to name just a few of the many causes in which she believed. Many countless people have benefited from her active life.

As her son, Robert, said in his eulogy to his mother:

She taught us the joy of giving and of compassion for others, for friends and for family, for neighbors and even strangers.

She taught us that it is most important to make a positive difference in other people's lives as often as one possibly can.

Thank you Jeanne and thank you, HENRY. May God bless and keep you both.

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER].

□ 1750

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding to me, and I thank HAM FISH for taking this time out to allow all of us to talk a little bit about Jeanne Hyde and HENRY HYDE.



First, Mr. Speaker, there are some people in Washington in public life who are absolutely extraordinary people. With all of the drawbacks, many of which we have seen and observed this year, of serving in public life, I think one of the real benefits is the fact that we have a chance now and again to come in contact with people who, when we talk with them, leave us inspired and feeling that we are richer for the experience, and in the case of Jeanne Hyde and HENRY HYDE, leaving us feeling that we have a little direction in our own life as a result of having listened to them and talked with them and conversed with them.

A person would just feel good about being with the Hyde family, because there was so much wisdom and so much of a sense of duty to this country, and a sense of rightness and decency. One somehow felt that in this turbulent world that we live in, especially the turbulent political world, that we were just a little bit stabilized by having talked and met with these wonderful people.

I might just say that I knew we have all read that Jeanne Hyde met her husband, HENRY, at a basketball game. Actually, this was in 1947, and she had just broken up with a professional basketball player. She was leaving the game, and I did not ask HENRY exactly how the breakup had occurred, but the only thing that was important from HENRY's perspective was that she was leaving and was about ready to get into a taxicab. HENRY came rushing up and, in his words, tried to convince her first that he was not a masher, and then told her how important it was that he have a chance to spend some time with her and to get to know her.

Obviously, they did, and the Nation has been richer for that. Jeanne Hyde was a person with a wonderful sense of rightness and duty, and that intangible asset of being able to know how to raise a family and make people feel good about being members of the family, and making friends feel that she got strength and sustenance from the relationship with that family.

She was a homemaker in the finest sense of the word, and performed in that sense, in that job, in what I think is a most important role in American society; that is, molding the character of our children, and in trying to build a future for America by infusing them with real values.

I am going to close and let other folks talk about Jeanne Hyde and HENRY. Just let me say that, also, about HENRY HYDE, while we are on that subject, because this is an opportunity we do not often get to talk about him, but HENRY HYDE is an extraordinary individual. He is a person who, if you want to know about the Declaration of Independence, talk to HENRY HYDE and it comes to life. You hear that in his speeches and in his

conversations on the floor. If you want to know about the Constitution or a particular aspect of the Constitution, talk to HENRY HYDE and it comes to life.

In this difficult time, for those Members who support the right to life, at a time when they look at the political polls, and they see that their position on this subject is going down in the polls, which may bode trouble for some of them, some of them in some of their opinions, if you listen to HENRY HYDE, you will see, if you have that particular position, you will come away refreshed and feeling that perhaps HENRY HYDE sees something that maybe other people do not see, and perhaps he has a vision for America because he can see the value of an unborn child.

I bring that subject out because it is so important to HENRY, but because also it reflects the struggle that is going on in America, and the fact that we are looking for leadership on that issue. One of the most respected Members who ever strode onto the House floor from the time when this Congress first existed has been able to persuade many people to take his point of view, not because it was politically right, but because he had a force of wisdom and common sense and values that he imparts when he talks to you, that makes you feel that somehow you are giving a service to America and you are simply doing what is right, to take that position.

I think that is the value of HENRY HYDE. He is a great leader. He is one of the most admired people the House of Representatives has ever seated, and he has been able to give so much to this country because he has had that perfect, wonderful, generous, giving wife, Jeanne Hyde, always at his side.

I know that the family is going to need sustenance and support in the future, and that many Members of this House and their families, their wives and children, stand ready to do what they can to be of a little comfort.

I thank the gentleman from New York [Mr. FISH] for taking out this special order for his friend, HENRY HYDE.

Mr. MOORHEAD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I wish to commend the gentleman from New York [Mr. FISH] for taking out this special order for our friend and close, close lady for so many years who was our friend, the friend of all of us. She was really a very special lady. She was the lady of Proverbs 31, an example of total commitment to her family, whose family rose up and called her blessed.

I do not know of any family today that was closer than that of Jeanne and HENRY and their children. During the last days that Jeanne lived she was in a beautiful home that HENRY had provided for her, and he sat almost all

day by her side, talking to her. She was in good spirits most of the time, a cheerful woman, in spite of the fact that she knew that she had not long to live. She had committed her life to God and she was content with the life that she had. Her main concern during those days was for HENRY. "What is going to happen to HENRY when I am gone?"

After so many years, 45 years that they had lived together as husband and wife, they had been inseparable. HENRY loved her with all of his heart and she loved him. You do not see that too often today in American life, where people have other priorities, but the No. 1 priority of each of them was to take care of the needs of the family and of each other.

We had an opportunity to visit Jeanne a very short time before she died, and I have never seen a person so upbeat and so actually outgoing in a situation in which many of us would be led to despair, knowing that there was not long left in life. But she was willing to talk about so many things about her life, her kids, the things that had been important to her.

I know we received calls from former Members around the country, from wives of former Members, wondering how Jeanne was doing. She had thousands of friends in her own home State of Illinois, here in Washington, DC, and then many other people around the country.

She was a lady of courage, of integrity. Honesty meant a lot to her in the commitment she had made to people, the things she carried out. She had a great sense of humor. She could see the humor in life around her, and she made life a better place for everyone that was close to her. She certainly was a loyal and devoted friend to her many, many friends that she had around.

She did an outstanding job as a professional, a special correspondent at the White House, responding to mail and taking care of the needs of people around the country. She was truly an outgoing woman who was more concerned with the benefit and good things for others than she was for herself.

I will miss Jeanne Hyde, and I certainly join with my wife, Valery, who has really been terribly concerned about what was happening to Jeanne and about her welfare throughout all of this time.

We will miss her. We know that she is with her heavenly Father in heaven, and that HENRY will be when he passes on to join with her, because certainly HENRY has lived the same kind of a life that his beloved wife lived.

Again, I thank the gentleman for taking out this special order. I know that it means a lot to everyone that was concerned about her and knew her and loved her.

Mr. FISH. Mr. Speaker, I yield to the gentleman from New Mexico [Mr. SCHIFF].

□ 1750

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding and thank him for taking out this special order.

Mr. Speaker, the reason I have the privilege to be on the House floor is that I have the privilege of representing the First Congressional District of New Mexico in the U.S. House of Representatives. Although I have lived in Albuquerque for 23 years, I am not originally from New Mexico. I was born and raised in Chicago, IL, and moved out to New Mexico when I was about 21 years old. And one of the individuals I knew back in Chicago was HENRY HYDE, then State Representative HENRY HYDE. And I knew HENRY because in 1967 and 1968, I was president of the Young Democrats of the 49th ward of Chicago, and among other things worked with our Democratic State legislator from my area in the State legislature, and in State legislative matters, and I got to know Mr. HYDE.

I have to confess that as a Democrat I disagreed with him on number of issues. I have to further confess that even though I am a Republican, having converted many years ago, I still today disagree with Mr. HYDE on some issues.

But the thing that I remember most about HENRY years ago and is still true today is that he never took an honest, philosophical difference personally. You could have a disagreement on any number of issues and you were still HENRY's friend. It did not matter.

I further have to say that at that particular time I did not know Mrs. Jeanne Hyde, but I knew of Mrs. Jeanne Hyde, and I knew in fact there had to be a Mrs. Hyde. And I knew that because I saw the many hours that HENRY worked on behalf of the people he represented in his State legislative district in Illinois. I saw the hours he had to spend away from home in the State capital at Springfield. I saw the hours in fact that I worked with him. We were on the same side in trying to promote a constitutional convention for the State of Illinois. And I knew that as a strong family man HENRY would never have been away from home that much unless he had a strong wife who would help keep the family together and see to the needs of their children. And that was just a given that many years ago.

I want to say at this time, HENRY, all of your friends', all of your colleagues' hearts go out to you and to your family.

Mr. FISH. Mr. Speaker, I thank my colleague very much.

Mr. Speaker, I yield to another colleague from HENRY HYDE's State of Illinois, Mr. PORTER.

Mr. PORTER. Mr. Speaker, I thank my colleague from New York for yielding, and thank him for providing to us this special order in honor of a very great lady.

Mr. Speaker, last week a very great lady—Jeanne Hyde—was taken from our midst. She fought a long and courageous battle with cancer before it finally claimed her life last Tuesday. The pain of Jeanne's passing obviously falls most heavily on our dear friend and colleague, HENRY HYDE, but we are here today to say that HENRY's sorrow is shared by all of us in this House, and by everyone who was fortunate enough to know Jeanne.

I first met Jeanne when I served with HENRY in the Illinois General Assembly. Her grace and strong character made an impression on me and on everyone who knew her. I already had deep respect and admiration for HENRY, and meeting this wonderful woman whom he had married confirmed for me the soundness of his judgment—so much so that the very first vote I ever cast in any legislative body was to vote for HENRY HYDE for Speaker of the Illinois House. Jeanne was an inspiration then, and she continued to shine her special light wherever she went throughout her life.

She served as an aide to Presidents Reagan and Bush, and always touched those around her with compassion and humor. Over the past several days, family, friends, and those who worked with Jeanne Hyde in the White House and in Illinois have remembered her delightful spirit and how she inspired all of us.

Their accounts speak volumes about the kind of person Jeanne was. One of her coworkers at the White House, Chuck Donovan, spoke of mail arriving at the White House from sick children and the parents of slain servicemen. Jeanne Hyde, he remembers, was always able to find the right words of comfort, even for those who seemed inconsolable. He said, "she taught a lot of people—peers and younger staff—how to care. Compassion is a virtue in any human being, but in Jeanne, it was a gift."

Those feelings were echoed by Anne Higgins, a family friend who worked with Jeanne in the Reagan White House. "The most beautiful word in any language is mama, and that's what we called Jeanne," she said. "It was in loving and caring for people that Jeanne excelled."

In particular, her bravery in fighting her illness showed us all what strength of character and courage really mean. It is that same strength of character that is so evident in HENRY HYDE in his inspired battles for the things he believes in so deeply.

Throughout the ordeal that she, HENRY, and the Hyde family faced, she maintained her magnificent, positive outlook and thought not of herself, but of those around her. That wonderful spirit and her outstanding service to her community and her Nation will be Jeanne Hyde's enduring legacy.

I know I speak for every Member of this House in expressing our deepest

sympathy to HENRY and his children, Henry, Jr., Laura, Bob, and Tony. We pray that God will comfort them all during this difficult time.

Mr. FISH. I thank the gentleman very much.

Mr. Speaker, I yield to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I too want to thank my distinguished colleague and good friend from the land of my birth, Mr. FISH, for taking out what has turned out to be a very beautiful special order to, as Mr. PORTER said, a very, very great lady.

I also knew Anne Higgins over at the White House during those days when they were deluged with mail for someone who is a bigger-than-life character, President Ronald Reagan. And during some of those conflict periods, particularly the tragedies at sea, peacetime accidents, and the men that were lost in the marine barracks at Beirut, I remember Anne Higgins telling me about that nickname for Jeanne, "Mama," and how she would go out of her way to take the toughest letters that the younger men and women felt a little bit uneasy with.

I want to tell a story that I feel funny about with Jeanne, because I owe her a big one, and I will have to pay her off in heaven, if I can get there, because I know she is there. We were at the White House late one night, and I bet you were there, HAM, and it was for the President. It was about 2 years ago. And we broke up fairly early, about 8 o'clock, and we were all feeling in a fairly good mood. It was pre-Desert Shield/Storm days. And I said to Jeanne and HENRY, "Please let Sally and I take you guys out to dinner." I said, "We'll just go someplace simple, like the Old Ebbitt Grill right across the street from Treasury." And I said to Jeanne, "Jeanne, help me talk HENRY into this. Come on, come on, it looks like he wants to go home."

It had been a long day, and we had started in the House early that day. And she talked HENRY into it, and we went over to dinner, the four of us. And my wife had always told me that if ever there was a perfect congressional wife partnership it was Jeanne, being HENRY's strong partner and copilot. And it was a delightful dinner, and when we reached the end of the dinner I reached for my wallet and it was not there. I had left it in the car, or I had left it at home or something. So I whispered to Jeanne, I said, "You talked him into the dinner, now you're going to have to talk HENRY into paying for it, and I'm going to owe you guys one." And when she gently broached it to HENRY, he said, "Don't work as BOB's lawyer here, Jeanne. This is an old story. I knew DORNAN would pull this when he invited us to dinner, so I'll gladly pay for this thing."

So for the past 2 or 3 years or 2½ years I have been saying to HENRY or



to Jeanne whenever we have bumped into her somewhere, "Hey, come on, I owe you guys a dinner." And I thought of the instant that Jeanne fell ill and HENRY told me it was very serious, and you always forget the kindnesses, and the jokes, and the little debts, honorable that you owe to people. And I just would give anything to be able to go out to dinner with my Sally, and with HENRY and Jeanne one more time.

She was so upbeat, as I said, and if God every designed a congressional wife, and they are the unsung heroes around here, the spouses, I have gotten to know George Vucanovich very well, and I just see him as a perfect partner for BARBARA, a team effort. I do not know how I would get the energy to operate around here without my Sally. And I just know that HENRY is going to have a tough period here trying to fly alone when he had such a perfect partner with him at every moment back in the district, always with him here when the House is in session.

My heart goes out to him. He has always been a patriot of the highest order who's loved his service here. I heard him once talking to a class of freshmen, and they said, "Mr. HYDE, any regrets on your committee choices, on your career? Do you wish you had run for Governor? Do you ever wish you had run for the Senate when it opened up at some point?"

□ 1800

And what HENRY said, I thought, was pretty good. He said, "My only regret in life is that I did not run for the House of Representatives earlier, much earlier." He said, "I only wish I could have come here in my thirties or, like some of these young guys I see coming in, my twenties." He said, "I love my service here, and I do not see any end to it."

So the only thing I have ever found myself in disagreement with HENRY HYDE on is term limits, and when you have got a couple, because I am a 12-year man, and I sort of felt that way coming here, and I have not changed, but the one guy I feel beats me down in debate is HENRY HYDE. Because he says that if somebody is doing a good job here, maybe it is good they stay around for a long time, and when you get two for the price of one election, the way the voters of Illinois did with Jeanne and HENRY HYDE, then you have got an unbeatable team, and maybe somebody like that should stay around a long time.

I hope that, without his beloved Jeanne, but with her in her eternal reward, pulling for HENRY, pitching for him, interceding for him, in heaven, I hope that HENRY graces these Chambers, and grace them he certainly does, with his style and unique manner of disagreeing and still maintaining every friendship in an intense and personal way, I hope that HENRY is a proud

Member from Illinois of this great deliberative body in this splendid hall for as long as I am given to serve here by the voters of my district.

Thank you again, HAM, and bon voyage, Jeanne, keep helping all of us in those moments when we need some inspiration.

Mr. FISH. I thank the gentleman very much.

Mr. Speaker, I would like to publicly acknowledge the courtesy of the Clerk of the House of Representatives that a tape of these proceedings will be made available to the Hyde family.

I also would like to thank those Members including, the majority leader, whose names the Chair read out earlier who had signed up for special orders in the amount of 60 minutes who yielded their place so that we could proceed in this special order for Mrs. Hyde.

Mr. RUSSO. Mr. Speaker, it is a sad occasion when we must say goodbye to a dear friend, but in paying final tribute today to the beloved wife of our colleague HENRY HYDE, we also can celebrate the beauty and inspiration of a life well lived. Jeanne Hyde, a woman of immense grace and compassion, lived such a life, and it is in the spirit of the joy and love she gave that I join my colleagues in honoring her.

We all know what a professional she was in her work at the White House, and the dignity she accorded all people. We know her reputation for having a sympathetic ear and, in fact, many of us have benefited directly from this talent of hers for listening to the concerns of others.

But what I especially love and what both Karen and I will so miss is the fun-loving lady Jeanne was. What a pleasure were our trips with the Hydies, and it will always be with a smile that I recall the laughter so easily shared.

She had a way of putting you at ease and a special gift for making you feel at home. It was easy to feel close to this loving individual, to relax in the presence of one with such goodness of heart.

When such a rich legacy of memories and good deeds are bequeathed to those of us left behind, it is a source of comfort, and I hope her family will feel the warmth and consolation we extend to them today. We share in their loss of this wonderful lady.

Mr. ROSTENKOWSKI. Mr. Speaker, Jeanne Hyde was a lady of grace and compassion: a woman who cared deeply in her heart for people everywhere.

As a friend and colleague from Illinois for many years, I always looked forward to seeing Jeanne and HENRY together. Jeanne had remarkable strength and courage. Her warm and uplifting personality, charming smile, and cheerful manner brightened up a room.

Jeanne will be sorely missed. LaVerne and I join the thousands of friends and family in wishing our sincere condolence.

Mr. MILLER of Ohio. Mr. Speaker, I would like to join with my many colleagues in the House of Representatives in this special order to remember Jeanne Hyde who passed away recently.

Jeanne and our dear friend HENRY HYDE were married for many years and those of us who have served with HENRY came to know them both well, and to respect them for the countless contributions they have made to our Nation and to the great State of Illinois. This fine woman was lost to cancer, though she dealt with it courageously and with willpower and determination that reflected her strong spirit and her sound faith.

Jeanne Hyde will be greatly missed. At this time and on this somber occasion, I want to extend this personal expression of sympathy to HENRY and his family on behalf of myself and my staff.

Mr. ROE. Mr. Speaker, it is with great sadness in my heart that I rise today to join my colleagues in a tribute to Jeanne Marie Hyde, the wife of our good friend Representative HENRY HYDE of Illinois, who recently passed away.

Jeanne Hyde was an extraordinary woman who devoted her life to loving and caring for people. That compassion was particularly expressed during the time she worked in the White House as a Presidential aide in the Office of Public Liaison and Office of Correspondence.

At the White House, mail would come with last requests from sick children and grieving parents of slain servicemen. Jeanne, who was lovingly referred to as "Mama" by those who worked with her, always had the right healing words to respond to those who so desperately needed comforting.

Jeanne's graciousness enamored her to all who knew her. She was always able to add a touch of humor to any situation, whether she was dealing with the President of the United States or the housekeeping staff at the White House.

She was born Jeanne Marie Simpson on May 25, 1925 in Bridgeport, CT. The family soon after moved to Arlington, VA, and it was while Jeanne was a student at George Washington University, that she met a young student named HENRY HYDE who was attending crosstown rival Georgetown University.

Following their marriage, HENRY and Jeanne moved to Illinois where they raised three sons and a daughter. After HENRY's election to Congress in 1974, they moved the family to the Washington area.

Jeanne Hyde was a loving wife and mother. She was a friend who will be sorely missed. I would like to extend to HENRY and his family my sincerest sympathies on their great loss.

Mr. CRANE. Mr. Speaker, sadness envelops each of us who understands the great loss of our friend and colleague from Illinois, HENRY HYDE. A week ago yesterday, HENRY lost his wife, and our friend, Jeanne. The Lord was kind in taking her from us when He did, bringing to a conclusion her painful, losing battle to cancer.

We also wish to extend our sympathies to the children of HENRY and Jeanne—Henry, Jr., Laura, Robert, and Anthony.

Jeanne Hyde was a kind, loving wife and mother. She was also a lovely, gracious lady.

And she was vivacious as she illustrated with her membership in the Republican National Women's Federation of Illinois, the Republican Congressional Wives Club, the Park Ridge, IL Women's Republican Club, and the

International Neighbors Club, No. 2, here in Washington.

HENRY HYDE has lost a kind, loving partner. We have lost a fine friend. She will be missed by all who were fortunate enough to know her.

Mr. LAGOMARSINO. Mr. Speaker, it is with great sadness that my wife Norma and I join the other friends of the Hyde family in extending our prayers and expressing our deepest sympathies for the untimely loss of Jeanne Hyde.

We've known HENRY and Jeanne for years. Yet, it often seems that only at sad times like these do we pause to really reflect on the strength and personal contributions such wonderful friendships provide. Norma and I are honored to be friends of the Hydys and know that the loss of such a caring, loving soul leaves a void in so many lives, including ours.

Like HENRY, Jeanne loved life—beginning with the youngest, unborn child all the way through until the time the good Lord chose to join Him in His kingdom. I know that this generous, bright spirit coupled with her strong faith gave Jeanne and her family the personal strength and courage to face her difficult illness and the suffering it caused.

While words can never truly express our deep feelings, by fondly remembering Jeanne's celebration of life before her untimely departing from this Earth, we are left with happy, loving memories, which will give us lasting strength and spirit, especially when the chips are down, of just how glorious life is and how important friends are.

HENRY, we share yours and your family's grief and hope you will never forget that we are always here as your friends. God bless you, Jeanne and your family.

Mr. SENSENBRENNER. Mr. Speaker, it is with sadness and deep regret that many of us in this body rise to pay tribute to a wonderful lady—Mrs. Jeanne Hyde. The words most often associated with her are "grace" and "compassion," and with those I wholeheartedly agree.

Just a quick glimpse of her professional life attests to her unselfish spirit. From her work in both the Reagan and the Bush White House, to her memberships in various national and local groups, Jeanne was an inspiration to those around her. A devout Catholic, Jeanne also consistently showed her love for God and others.

Through my work with HENRY on the Judiciary Committee, I saw the strong partnership HENRY had with Jeanne. Whether taking care of the children or supporting HENRY, Jeanne demonstrated both strength and gentility. She delicately balanced the rigors of professional life with the demands of caring for their family; yet, she still made time for friends.

Although I can only begin to sympathize with HENRY and the family regarding the magnitude of this loss, I must express the personal loss my wife Cheryl and I feel not having her gracious presence either in front of or behind the scenes. Those who crossed her path will miss her.

Mr. MINETA. Mr. Speaker, it is with great sadness that we note the passing of Jeanne Hyde, wife to our distinguished colleague and my very good friend, Congressman HENRY HYDE of Illinois.

I met Jeanne Hyde when I met her husband: when he and I were first elected to the

House in 1974. Since then, I have come to know Henry and Jeanne as two of the finest individuals in Washington, each committed to building a better America.

Together, the Hydys have worked tirelessly in public service. Henry, as a Member of this body; Jeanne, as a Presidential aide in the White House Office of Public Liaison and the Office of Correspondence in both the Reagan and Bush administrations. And together, the Hydys have raised a wonderful family, including four children and five grandchildren during their 45 years of marriage.

Mr. Speaker, it is always difficult to say goodbye to someone who has had such an impact on our lives and the life of our Nation. But it is important that we do take the time to do so. And so, it is a privilege to remember Jeanne Hyde today for the strong individual she was, and for the love and support she gave to our colleague.

I join with my colleagues in tribute to Jeanne, and in extending our condolences and best wishes to Henry and their entire family.

Mr. MAZZOLI. Mr. Speaker, it is with sadness in my heart that I rise to join my colleagues in paying tribute to Jeanne Hyde, our colleague HENRY HYDE's beloved wife of 45 years, who died July 28 following a long and difficult battle with cancer.

She was a woman of compassion, wit, charm, and sensitivity. She will be mourned widely here in the Capitol, back in Illinois, and across the Nation.

Jeanne Hyde's legacy will live on in all the people she helped in their time of greatest need and in the work of her husband, in which she was an active, indispensable partner.

In this age when public persons do not always set high examples for ethics, decency, and compassion, Jeanne Hyde shattered these bad images and characterizations. Not only in her work as a White House aide, but in her contributions of time and effort to charity and church causes, Jeanne Hyde showed herself as the kind of woman who helps those around her, friends and strangers alike.

Through my long service with HENRY HYDE on the Judiciary Committee and on other matters, I have known both the HYDE's as friends. HENRY HYDE has shown courage and grace in his professional life even as his personal life has gone through this time of grief. "Grace" is a word that has been used time and again to describe Jeanne. This word is very appropriate, because Jeanne was graceful about her entire life, with her last time not any different.

The United States will miss Jeanne Hyde for her tremendous public service, but the people who knew her will miss her even more deeply because of the exemplary person she was. Everyone, in fact, will miss Jeanne Hyde in some sense, because she was the kind of woman who made our world a better place for all.

Finally, I would like to extend an expression of sympathy to HENRY and his family on behalf of myself and my staff.

#### GENERAL LEAVE

Mr. FISH. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Is there objection to the request of the gentleman from New York?

There was no objection.

#### C-SPAN COVERAGE OF CONGRESS

(Without objection, Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, I just wanted to address the House for 1 minute to say that our excellent Speaker is arriving in the Chamber at this moment to claim his time for a previously requested unanimous consent on a special order, and to say that as soon as his special order is over, that one of the amazing things that has developed in our country to educate American citizens and our Government is the C-SPAN coverage paid for by all the cable organizations around America of the proceedings of this House.

I might tell the Speaker that as soon as you call for adjournment, I will be over in the C-SPAN studios taking call-ins from all across America, from Alaska to the Virgin Islands, from Puerto Rico to Hawaii, and they will probably discuss the gentleman's special order with me, so make it good. I look forward to the special order.

#### SETTING THE FACTS STRAIGHT ON THE 1992 ELECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I wanted to talk about the 1992 election and setting the facts straight, because I think this is going to be a fascinating process in the next 90 days as the American people attempt to decide about their own future, their children's future, and their country's future.

Mr. Speaker, I have been getting a number of press calls that I find sort of fascinating in that reporters will call and they will say, "What is going to happen now and exactly what is going on?" And the implication is that somehow a country which in January we were told that Bill Clinton had been knocked out of the race, in February Paul Tsongas was almost the nominee, in April and May we were told that Ross Perot would be anointed President almost without an election, and by late July, Bill Clinton was clearly going to be elected, that now somehow the election was over.

I keep trying to suggest to my friends in the news media that, in fact, the general election campaign is only about to begin, and that a general election campaign, at its best, is about vot-



ers informing themselves, studying the candidates, and making decisions about their future, their own future, their children's future, and their country's future.

I think that there are four basic messages, and I think that these are messages that I would be delighted to discuss at some point with Democrats, because I think they go to the core of what the decision should be in terms of setting the facts straight.

We have had an awful lot of coverage that was, I think, a facade, that was not, in fact, factually correct. I think that we have to face these four facts. The first fact is that President Bush and the Republican Party have been proposing for 4 years now a series of reforms. Some of the reforms are in areas that directly affect every American.

We have proposed, for 4 years running, an economic growth proposal which would create private-sector jobs. President Bush suggested it in 1989, in 1990, in 1991, in 1992. I know that I personally attempted to bring it up on the floor of this House three times in the last year, an economic growth proposal based on the private sector, designed to create jobs. In each of these occasions the Democrats blocked everything that was proposed.

I know that we fought last year for criminal justice reform so that we could deal more effectively with felons, with murders, with rapists, with armed robbers, and with murders and with drug dealers.

I know that the Republicans have proposed a health care program, the Action Now Health Care Program, a program based on the free market, based on market incentives to lower the cost, based on malpractice reform to lower the cost of Medicare and Medicaid, and to lower the cost of medical care in general, a health care program that includes a medical savings account, or Medisave account, which would give every working American an incentive to have less red tape, to have more preventive health care, more focus on wellness, and to have more caution about spending money; and the medical savings account, I think, is the most exciting new idea which has been developed in the health area.

We had a whole series of ideas put together in a bill called the Action Now Health Reform Plan, which is currently being blocked by the Democratic leadership.

We have a bill on welfare reform, a proposal to have work requirements, a proposal to have learning requirements, a proposal which would limit the amount of time any American could spend on welfare as an adult to a total of 4 years over their lifetime and say, "Look, we are not going to accept two and three generations living on welfare in the future. We are going to make welfare a transition program," what it was under Franklin Roosevelt

and what it should have remained—blocked, unable to bring it to the House floor.

We strongly favor a constitutional amendment to require a balanced budget. It was opposed by the Democratic ticket, the Democratic Presidential nominee, who said that it would restrict, and I quote, "It would restrict spending too much," and yet, of course, almost every American wants Washington to restrict spending, and one of the major complaints I run into back home in Marietta, Alpharetta, and in Roswell is a complaint that Congress spends too much, that people in Washington ought to control spending, and so we strongly support a constitutional amendment to require a balanced budget. It was blocked by the Democratic leadership.

□ 1810

We have an educational reform program, building on the very sound ideas of former Secretary of Education Bill Bennett, developed now by Secretary of Education Lamar Alexander, a number of new ideas, new proposals; the America 2000 Program designed to open up, to experiment, to create 21st century schools, to have new approaches in education so our children can compete with German and Japanese children.

The fact is that most of those educational reforms are being blocked by the Democratic leadership.

On front after front, the fact is, and I think I can produce over the next few weeks date by date when the President sent up a reform proposal, when it was sent to committee, when it was blocked in committee, when it was blocked on the House floor, if it was ever allowed to even get to the House floor, and I think the first fact that will define the 1992 election choice is that for 4 years President Bush and the Republicans have been developing a reform program and in fact that reform program covers virtually every major area the American people are concerned about.

The second fact, as I said, I think there are four, is that the Democratic Party has become a block everything party, that as the liberal welfare state has decayed, as the interest groups, the public employee unions, the trial lawyers, the leftwing activists become more and more reactionary, more and more opposed to reform, that the track record of the Democratic Congress has been to block virtually every reform.

Jack Kemp's ideas to develop better opportunities for poor people to own their own homes in the inner cities, blocked in the Democratic Congress.

New proposals to have a real opportunity to create jobs, \$5,000 tax credit for first-time home buyers to help create jobs, blocked by the Democrats in Congress.

Again and again, for reasons that are either ideological or interest groups or

partisan, we have found the Democratic leadership organizing and working very hard to block reforms desired by the American people. That would be my second fact.

If fact No. 1 is that President Bush and the Republicans have been developing very specific, very real reform proposals, fact No. 2 is that the Democratic Party which controls Congress has been blocking those reform proposals.

I thought it was fascinating, if you think about the difference between facade and fact, look at the facade of the Democratic Party going to New York City, taking a tremendous number of Democratic Members of the Congress with them, one of whom was telling me today how much fun he had playing golf, but then avoiding putting the Speaker or the Democrat majority leader of the Senate, those who are in a position of power in a position to speak.

The fact is that the Democrats have controlled the House since Bill Clinton was 7 years old and AL GORE was 6 years old; that is right, from the time they were in the first grade until they became a Presidential ticket, the Democratic Party, their party, has controlled the House, and yet do you hear any talk about reforming the Congress, any talk about the responsibility for the weak economy in the Congress, any talk about the responsibility for too many lawsuits and too much litigation in the Congress?

No, because the facade the Democratic ticket would like to maintain is that they are somehow brand new and different and somehow they will change things from the current structure of leadership, which has in fact been in charge since 1954.

The third fact after the Bush and Republican reforms and the Democratic Congress is blocking everything, is that the Democratic ticket if it were to be elected would bring about real change, but it would be change, frankly, which would be very destructive for most middle-class working Americans.

The fact is that it would be wrong for America to build a bigger welfare state, to transfer more money to big city machines and their unionized bureaucracies with incredibly inefficient and sloppy work rules, that it would be wrong to raise taxes on working Americans and transfer the money to Government, that it would be wrong to dramatically increase foreign aid and send billions of additional dollars to Third World dictatorships that are corrupt and inefficient in many cases, that it would be wrong to increase the power of the trial lawyers, and that it would be from the standpoint of the values of most Americans wrong to have a dramatic increase in the number of liberal judges and the number of judges who are antideath penalty and who are committed to very liberal in-

terpretations, including in many cases quotas and other kinds of values which most Americans disagree with; and yet the fact is that the Democratic ticket would in fact impose and pass with the help of the Democrats in Congress precisely those proposals which would be wrong.

In fact, I would argue that America cannot afford the Democratic ticket.

I would suggest that the Democratic ticket in its proposal for a \$150 billion tax increase by itself has proven it is too expensive. That is almost twice the amount of money Walter Mondale promised he would raise in taxes in 1984.

It is a sign of how much the world has changed that 8 years ago when former Vice President Walter Mondale stood up in the Democratic Convention in San Francisco and said, "I promise I will raise your taxes."

The amount he was talking about was about \$80 billion.

Now you have a Democratic ticket which has promised to raise taxes by \$150 billion. That is \$70 billion more than Walter Mondale promised, almost twice as much.

I think one of the most fascinating aspects of the news media miscoverage of this campaign so far has been the effort to paint the Democratic ticket as moderate. Here is a ticket which is promising twice as big a tax increase, for all practical purposes, \$150 billion compared to \$80 billion, as Walter Mondale who everyone accepted was a big spending, big taxing liberal, and yet we are told that a Democratic ticket that wants a \$150 billion tax increase is somehow moderate.

Makes you wonder about how liberal the person is who writes that or reports it.

Second, while Democratic candidates love to talk about taxing millionaires, let us look at what the Democratic ticket has talked in print in the Vice Presidential nominee's book about raising taxes on it. They have talked about raising taxes on gasoline. Well, to the best of my knowledge in America lots of folks other than millionaires ride cars, ride trucks, ride to work and a gasoline tax increase is one of the most unpopular tax increases in America, and yet it is the very first thing mentioned in the Vice Presidential candidate's new book.

They talk about raising the tax on fuel oil. Again I would suggest, fuel oil, at least for those folks who are in northern climates where they worry about the winter, is often seen as a necessity. A tax increase on fuel oil does not just hit the rich, it hits every American.

They talk about raising taxes on electricity. To the best of my knowledge, certainly in Georgia, millions of people who are hardly millionaires use electricity. They use it for their lights, their ovens, their microwaves, their

television, their air-conditioning, lots of things people use electricity for who are not exactly millionaires.

They talk about raising taxes on natural gas. I know many people, including myself, who may cook with natural gas.

You go through the items, gasoline tax increase, the Democratic ticket favors it.

Increase the tax on heating oil, the Democratic ticket favors it.

Increase the tax on electricity, the Democratic ticket favors it.

Increase the tax on natural gas, the Democratic ticket favors it.

Increase the tax on coal, the Democratic ticket favors it.

I wonder in West Virginia, in southern Illinois, in Pennsylvania, western Pennsylvania, how many folks are going to be excited in parts of Kentucky, West Virginia, how many folks are going to be excited by an increased tax on coal?

In Oklahoma, California, Texas, even in Arkansas where there is a good bit of natural gas, Louisiana, how many folks are going to be excited by the opportunity to have a tax increase on oil and on natural gas?

Everywhere in America where people ride to work, but especially in rural America, where people are going to ride very long distances in their pickup trucks or in their vans, how excited are they going to be by the Democratic ticket's promise of a tax increase on gasoline?

Now, I do not believe we can afford the Democratic ticket; but when you look at what they are going to use the tax increase for, I think it becomes even less affordable.

The fact is the Democratic nominee went to the Democratic big city mayors in a public speech and promised them \$50 billion more than they have currently. They had asked for \$35 billion. He actually offered them \$15 billion more than they asked for.

I do not know how many Americans believe that New York City is so well run, so efficient, so reformed, that its bureaucracy is so trim and so lean that we need to raise taxes on every working American, to send more money to the Democratic mayor of New York and the Democratic machine.

I do not know how many people believe that Detroit or Philadelphia are so well run that we need to send more money, or for that matter that Atlanta is so well run that we need to raise taxes to send more money to the big cities.

□ 1820

I do believe the big cities could be reformed. I do believe we could apply the same kind of restructuring, the application of technology, quality, good management that is affecting IBM, Ford, General Motors, and virtually every manufacturing company.

If we apply those ideas of restructuring to the governments, the Federal Government, the State governments, big city governments, we could save an amazing amount of money and would not have to raise taxes.

But that is probably an idea which the Democratic ticket's strong supporters in the Federation of County, State, and Municipal Employees would find very, very unacceptable. I notice that when the Democratic Presidential candidate visited the public employees union, he promised that he would not cut jobs in the cities. He talked about cutting jobs in Washington, but not in their cities and not amongst their union members.

Now, I do not think we can afford that. But then when you look at the Democratic Vice Presidential nominee's suggestion that we need to dramatically increase foreign aid to Third World countries, it makes you sort of wonder. Most Third World governments would not be able to spend the kind of money that the Democratic Vice Presidential nominee suggests.

Our record of transferring money from our bureaucracy to their bureaucracy does not exactly encourage people to believe that the money will be well spent.

So, whether you take the appointment of very liberal judges, judges who would have presumably been acceptable to Jesse Jackson and Teddy Kennedy, whether you look at the kind of tax policy that would raise taxes—and by the way, I believe it would kill jobs, I believe the Democratic tax increase program would deepen the recession, would kill over 1 million jobs and would actually put more Americans out of work and make our economic problems even worse—or if you look at the programs of strengthening and propping up the big city bureaucracies on site after site after site, I believe the fact, No. 3, is that we cannot afford the Democratic ticket and that measured by values or measured by pocket-book, the American people need to look very carefully at the Democratic ticket before they think they can vote for it.

If I may use a simple analogy, I happen to have a weight problem, a constant weight problem, constantly trying to lose weight. I like ice cream too much. I feel I can identify with particularly the baby-boomers, getting a little older, we want to lose weight. "Dr." Bush, our President, has not really gotten to our problem as well as we would like. So we are uncomfortable. We do not think we are on the right track, and we are frustrated.

Now, a large part of the reason that "Dr." Bush has not been able to help us as much as he would like or we would like is because the block-everything Democratic Congress has been blocking a lot of the medicine that "Dr." Bush would like us to have. But nonetheless, he has not gotten it done.



So we look at this new team: Two young, eager doctors who are terrific, with their house-call manners, they are genial, pleasant, make us feel good, and they have a way to get us to lose 25 pounds, instant 25-pound loss.

They do not tell us the details. They do not want us to look at the details. But they come in and say, "Bet you want to feel better; got an idea for you. You trust us, vote for us, and you will feel better."

Now, the prescription is, frankly, they cut off your right leg. It is true you lose weight, but it is not exactly what you had in mind. They do something you would not have done voluntarily. Now, basically, the Democratic ticket's battle plan is to smile and cheer and attack George Bush and get through the election without telling any details about what they are going to do.

For example, it would be fascinating, the first time people ask the Presidential candidate about the Vice Presidential candidate's proposal to raise the gasoline tax. It will be intriguing the first time we look at the \$150 billion tax increase on the ticket and start asking individual Members of Congress, "Are you going to vote for a \$150 billion tax increase?"

It will be interesting to look at the fact that the Democratic Presidential candidate has already named one potential Supreme Court judge he would name, a man who is deeply opposed to the death penalty. The question is asked: Why are you going to put on the Supreme Court somebody who is deeply opposed to the death penalty? And is this a little bit like Jerry Brown with Rose Bird in California, something that changed the whole nature of the California Supreme Court for a decade?

And I think you will find that the Democratic ticket is not going to particularly want to stand up and say, "Yes, these are our values; yes, these are our plans; in fact, this is what we are going to do." Their hope is that if they can keep people angry enough at Bush for the next 90 days, that people will not notice that the Democrats have controlled the Congress for 38 years and people will not notice that the values and the programs of the Democrats are in fact, as a ticket, going to be very destructive to working middle-class Americans.

Nor will the Democrats want to talk about the Democratic Budget Committee chairman's proposal which has built into it an automatic tax increase for middle-class workers, a tax increase which, if we had a Democratic President and a Democratic Congress, and if that Democratic President and Democratic Congress had the same economic track record as the last Democratic President and Congress, it would mean a 79-percent increase in the taxes paid by a family of four at \$30,000 a year; 79-percent increase over a 4-year

period if in fact the next Democratic President matches the Carter years in inflation and in the increase in tax rates on the middle-class family.

Now, they also will not want to talk about the Democratic Budget Committee chairman's proposal for a cut in the social security matter. Yet it is right there. It is a bill introduced in the Congress. It is real, and it is available right now for anyone who wants to look at it. But I do not think you are going to see the Democratic ticket telling you about those kinds of details.

So, if point one was the President, President Bush, has been sending reforms to the Capitol for 4 years, that we can verify them, we can show you the dates, we can show you the bills, we can show the specific reforms; and if point two is that the block-everything Democratic leadership has blocked those reforms now for 3½ years; if point three is that the Democratic ticket in fact represents a direct threat to your pocketbook, a direct threat to your jobs and direct threat to your values, let me now come to point four.

Point four is that there is a Republican plan of action for the first 90 days of 1993. Congressman BOB MICHEL, the Republican leader in the House, has already said that he is prepared the very first day he is sworn in as Speaker, after 18 years of one-party Democrat control, he is prepared the very first day to cut the congressional committee staffs by 50 percent, to abolish four select committees, and to pass a bill the first day that will apply to the Congress every law which applies to the rest of the country. That is right, it will actually mean that the country will at that point be able to look at Congress and know that Congress is in fact going to obey the same rules.

There is a fascinating article this week in Roll Call, where Congressman JOHN BOEHNER, Republican from Ohio, asked OSHA to come in and talk about what is wrong with his office. If they applied to his congressional office the same standards they apply to a small business, what would happen?

It is a wonderful article. I wish I had it with me. I would on a future evening encourage Congressman BOEHNER to come over and to share it with his colleagues and with the country because the Occupational Safety and Health Administration, as their inspectors looked at a congressional office, they found an office that would not pass inspection compared to any small business.

Yet, today Congress is exempt from precisely those requirements. And so I want to suggest that what Congressman BOB MICHEL is guaranteeing, which is that on the very first day as Speaker, after 38 years of Democratic control, he would vote to cut the congressional committee staff by 50 percent, abolish four committees, and

apply to Congress every law which applies to the rest of the country, that is the kind of change the American people want, and frankly if the Democrat wanted to make those changes, they could bring them to the floor tomorrow and pass them. But they do not want to make those changes. They want to block those changes. And they have been blocking them.

Second, the Republican team is committed to passing an economic growth proposal to create jobs in the first 90 days of 1993, a proposal which has been blocked by the Democratic leadership. The Republican team is committed to passing a significant health reform bill which will dramatically improve access to health care and lower the cost of health care in the first 90 days of 1993.

The Republican team is committed to passing workfare reform and learnfare reform to replace the current welfare system with a new transition program that breaks the cycles of welfare and breaks the attitude that you can get money for doing nothing.

The Republican team is committed to passing in the first 90 days of 1993 a very strong educational reform bill to open up the system to real innovation and real change so our children can compete in the world market.

The Republican team is committed to passing in the first 90 days a balanced budget constitutional amendment. Unlike the Democratic leadership, which blocked the constitutional amendment and convinced 12 Democrats who had cosponsored the amendment to turn their back on the bill they cosponsored and vote against it, the Republican leadership would be committed to passing a constitutional amendment to require a balanced budget in the first 90 days of 1993 and send that constitutional amendment to the State legislatures to be adopted in 1993. And we would be committed to passing a 4-year budget which would allow the President to control spending, bring spending under control and give the President a chance at the line-item veto, to be able to cut out wasteful spending so over a 4-year period of the next Presidency we would get to a balanced budget, to match the constitutional amendment to require a balanced budget.

□ 1830

Mr. Speaker, I say to my colleagues, "These are the kind of specific, real changes, changes which help the American pocketbook, they don't hurt it; changes which lower taxes, they don't raise them; changes which cut spending, they don't increase it; changes which fit the values of the American people, they don't run over the values of the American people. These are the kinds of changes that a Republican team, if it were given control of the House, and the Senate and the White House, would be willing to pass before Easter of 1993."

So, in summary, Mr. Speaker, there are four simple principles as we look at the 1992 election:

First, it is a fact that President Bush and the Republicans have sent up a number of reform proposals; second, it is a fact that the Democratic leadership has blocked those reform proposals and, in numerous cases, blocked them for 4 consecutive years; third, it is a fact that the Democratic tickets and platform would raise taxes, raise spending, increase the deficit, and establish left-wing values in our court system and our public policy; and, fourth, it is a fact that there is a Republican team which has already pledged that, if it is given control of both the legislative and executive branches, that it will in the first 90 days dramatically change things, change Washington, and in fact establish the kind of reforms that most Americans want.

I hope that as the American people watch this Presidential campaign, as the American people look at the effort to develop new proposals, that they will measure the two tickets against facts, that they will look beyond personality.

I am not asking anyone to vote Republican. I am asking people to vote for themselves, their children, and their country. I am asking people to look carefully at the facts and then decide what they think should be done.

#### HOUSING OF MEETING ON TOMORROW

Mr. HOYER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 a.m. on tomorrow.

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Is there objection to the request of the gentleman from Maryland?

There was no objection.

#### THE SITUATION IN YUGOSLAVIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, we watch daily—with frustration, anger and horror—as shells and bullets rain down on the people of Sarajevo and elsewhere in Bosnia-Herzegovina, flooding their beleaguered communities with blood and rubble. It seems that no group—including a busload of orphaned children attempting to flee the fighting—has been excluded as a target of the perpetrators of this violence.

Bosnia-Herzegovina once encapsulated perhaps the grandest blend of Europe's diverse cultural heritage. Today, it is the most recent setting for the extreme hatred and intolerance that has all too frequently exploded with violence on the European stage over the centuries.

America and the rest of the world are now contemplating what action can be taken to stop the bloodshed—which Bosnian Foreign Minister Haris Silajdzic has described to me as a Serbian attempt at ethnic cleansing. This is a question for which there are no easy answers. Should we intervene directly and forcefully with a multilateral and limited peacemaking effort?

There are certain risks with any direct involvement, but they must be weighed against our country's strong national interest in peace in the Balkans, as well as our moral obligation as a world power to take effective action when masses of people are being so senselessly slaughtered. The alternative to the use of military force, it seems, is to stand by and watch as the combatants annihilate each other and thousands of innocent people in their way.

Putting aside these difficult questions for the moment, I believe there is one step we can immediately take to punish those individuals who, under the veil of war, have committed unspeakable atrocities against innocent men, women, and children throughout the former Yugoslavia: we can hold them personally accountable for their crimes against humanity.

President Bush and the leaders of 50 other member States of the Conference on Security and Cooperation in Europe reaffirmed their commitment to this principle at last month's summit in Helsinki. With the carnage in Bosnia growing more horrific each day, and the prospects of a negotiated cease-fire faltering, we should act now by launching an international effort to investigate violations of international legal standards in the former Yugoslavia.

We should seek to detain those held responsible for crimes against humanity and establish an international tribunal where they could be tried and given commensurate punishment if convicted.

The tribunal could be set up under U.N. auspices, perhaps with the assistance of the European Community, the Council of Europe and the CSCE.

There are sufficient and appropriate international legal grounds to prosecute the perpetrators of Bosnia's agony: the post-World War II Nuremberg Charter criminalizes crimes against peace, the planning, preparation and initiation of a war of aggression; war crimes, the murder of prisoners of war and innocent hostages, plunder of property and the wanton destruction of cities, towns and villages; and crimes against humanity, murder or other inhumane acts committed against any civilian population, or persecutions on political, racial or religious grounds linked to crimes against peace or war crimes.

The so-called fourth Geneva Convention, which provides for the protection of civilians in times of conflict or occu-

pation, is also relevant in this regard. This convention prohibits the wilful killing, torture or kidnapping of innocent civilians, as well as extensive destruction or appropriation of property not justified by military necessity and carried out unlawfully and wantonly.

It also bars individual or mass forcible transfers, as well as deportations of protected persons from occupied territory, regardless of the motive.

In addition, the Genocide Convention provides for the punishment of those who commit acts intended "to destroy, in whole or in part, a national, ethnic, racial or religious group \* \* \*," regardless of whether these perpetrators are "constitutionally responsible rulers, public officials or private individuals."

Tragically, the crimes I have just listed are being carried out against the people of Bosnia, and have taken place in the last year in Slovenia, Croatia and in Kosovo.

I cannot list here, Mr. Speaker, all of the suspects for whom investigation and arrest would be warranted. But certainly first on the list of suspects is Serbian leader Slobodan Milosevic, who seems most responsible for the bloodshed, repression and anguish that have shocked the world and left Europe paralyzed with fear and indecision.

Other members of Serbia's Government also deserve priority investigation for their activities, as do individuals suspected of committing international crimes as members of paramilitary groups; the Yugoslav Army; the Serbian police; Croatia's police and army; and even Muslim military units.

Groups such as Helsinki Watch and Amnesty International have been seeking to document these abuses, and the results of their efforts could be of invaluable assistance.

Also put to use should be evidence the U.N. peacekeeping forces claim to have regarding militants who, in breaking agreed ceasefires, have committed the hideous act of attacking civilians of their own ethnic group to make the opposing side appear as the culprit.

The United Nations, the European Community and the International Committee of the Red Cross may have evidence of who attacked their clearly identified personnel, vehicles and convoys in violation of specific provisions of international obligations.

There are undoubtedly many witnesses to these crimes among the more than 2 million refugees and displaced persons this war has created.

Some may scoff at any proposals not backed up by force. And of course, Milosevic and his henchmen are not going to surrender or be easily brought to trial. But we must at least brand war criminals with the label they deserve. We have an obligation to their victims, both the dead and the living, to send a message all over the world that waging war against civilians will not be forgiven nor forgotten.



Mr. Speaker, we need to undertake this effort because where there is not justice, vengeance will most certainly reside. The level of violence we have recently witnessed in the former Yugoslavia is unprecedented since World War II. In fact, the atrocities which have been committed against civilian populations during this conflict invoke horrifying memories of Adolf Hitler's holocaust.

These atrocities will no doubt pass on a desire for vengeance to new generations that otherwise might have proceeded to build free and prosperous societies. Thus, without giving them both the satisfaction—and the deterring example—of justice now, we can be virtually assured that there will be more violence in the future.

Finally, Mr. Speaker, I would like to praise the Democratic Presidential candidate, Governor Bill Clinton, for his well thought out plan for the former Yugoslavia.

Governor Clinton has called for a tightening of the economic blockade against Serbia and Montenegro, granting authority to United States and European naval forces to search ships that may be carrying contraband, and making a determined effort to convince neighboring states to abide by the embargo.

Finally, Governor Clinton states that if the Serbs persist in violating the cease-fire, America should take the lead in seeking U.N. authorization for air strikes against the attackers.

Although a Bush administration spokesman—in a partisan mode—labeled Mr. Clinton's plan as reckless, Secretary of Defense Cheney has actually endorsed some of the same ideas. I believe it is time to implement these ideas.

□ 1840

Mr. Speaker, it is time to act. Indeed, it is far past the time to act.

Mr. Speaker, I am pleased that as Chairman of the Helsinki Commission I had the opportunity of discussing with Mr. HAMILTON, Mr. FASCELL, the chairman of the Committee on Foreign Affairs, and others deeply interested in this question, actions that we can take in the short term and in the long term.

Our President acted decisively in exercising leadership when Saddam Hussein, who was likened to Hitler by the President, invaded Kuwait in violation of international law. International law is daily as recklessly and egregiously being violated in Bosnia, Croatia, Kosovo, and other areas, to the detriment of millions of people who live in that region.

Let us together in a bipartisan fashion stand up and say that we will hold culpable and accountable those persons who murder and pillage in the name of either nationalism or some other political goal. Let us together in a bipartisan fashion, acting together within the

international community, bring to a halt the carnage that is the former Yugoslavia.

#### NEW COMMITMENTS TO AMERICA NEEDED

The SPEAKER pro tempore (Mr. PAYNE of Virginia). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, Congress will adjourn, recess certainly, next week, on August 13, or before. We will return in September for between 30 and 45 days to complete this session. But this is an election year and something special ought to be made to happen between now and the time we adjourn.

This is an election year. All of the Members of the House of Representatives are up for reelection and one-third of the positions of the Senate are up for reelection. Of course, most important in this 1992 election year, the President and the Vice President are up for election. The least we could do in this remaining period of time before the Congress adjourns is to make some commitments to the American people, to the voters, that are substantial and are in response to their expressed anger or their expressed concerns.

Commitments should be made before the adjournment. Whether we can follow through on those commitments or not we cannot guarantee. We have an executive branch, we have a legislative branch. Nobody can guarantee that we are going to be able to deliver, but at least the commitments ought to be made and they ought to be clear before the voters go to the polls in November.

I think the voters have acted in a very magnificent way. The American voters have proven once again that they are the most intelligent people on the face of this Earth. Our voters have demonstrated that they have a certain bedrock intelligence, an enduring common sense, that knows long before its leaders know that something is radically wrong, that the Nation is on the wrong course, that things are topsyturvy in Washington, and in many places we are doing exactly the opposite of what we should be doing.

So the voters should not be ignored. The leaders should not turn their backs on the obvious, that the voters have indicated with their common sense. Despite all of the hype and the public relations, sound bites, the continuing attempts to brainwash into believing that the economy is really not in trouble, that it is going to get better tomorrow, tomorrow, and tomorrow, the voters know better. The voters have expressed the fact that they understand we are in real trouble and we need some action, and we need it now.

The voters have indicated that they understand that we are about to enter

what the President has called a new world order. It is perfectly fitting and proper that we talk about a new world order, because, after all, the evil empire is no more and the voters want to know what we are going to get as a benefit from the ending of the cold war, what we are going to get as we enter this new world order.

The voters have communicated their anger in general. They cannot be specific. They do not know everything that is wrong, but they certainly have let us know in numerous ways, and certainly the polls day after day show that they are very much dissatisfied with the status quo. They are dissatisfied not only with the executive branch of this administration, but they are dissatisfied with the leadership in Congress and Congress as well.

The message from the voters is they are human, that they can be fooled, they can be deceived for a long time. Maybe they have been deceived for more than a decade. But enough is enough. Now the voters say they want some meaningful, concrete action. The common sense of the American people has risen to the surface, and that common sense is what nobody in the White House can comprehend. Common sense is on the march. When common sense is on the march, all of the dissensions and the hype and the sound bites cannot turn it around.

□ 1850

The voters have let it be known that their attention cannot be diverted from bedrock bread-and-butter issues. The game is over; no longer play the game. The Olympiad of hypocrisy and public relations hype is over. We will no longer accept brainwashing by the sound bite or screaming from the bully pulpit.

We need substance. The voters demand substance. They have sent the message again and again to both the Democratic Party and the Republican Party, to both the Congress and executive branch.

It started in Pennsylvania, a clear message was sent with the election of HARRIS WOFFORD to the Senate, where the issue of health care, a national health insurance, something dramatically different from what we have now, the voters let it be known that they wanted it very badly.

It was the overwhelmingly decisive factor in an election for the U.S. Senate. The message was there.

But the administration, the executive branch wants to run away from that and ignore the voters. We do not want to make a commitment between now and the end of this session. The leadership of the Congress have indicated they want to play the issue, but they are not serious about dealing with what the voters have indicated.

The voters want a meaningful change with respect to national health care.

The voters want change with respect to the bedrock bread-and-butter issue of jobs and employment. The voters want us to stop talking about education and to go ahead and do something about education.

The voters' common sense tells them that there can be action now. There is no need to wait. There is no need not to make a commitment now.

The voters want the new world order to begin now. The voters want the benefits of ending the cold war to begin now.

Between now and election day in November, I want to say to all of the voters out there that they are right and they should not let anybody turn them around. Do not let anybody make them believe that their anger is not justified. No voter should allow anybody to make them believe that their common sense is not superior to whatever has been happening here in Washington.

Their common sense is on target. There is no reason why we cannot move right away to deal with the problems of unemployment and to create jobs in this Nation. There is no reason why the commitment cannot be made by both the Congress and the executive branch.

Certainly, it is too late now to jumpstart the economy so that by November we see a difference of some magnitude, but why not make the commitment? Why not do what the voters know with their common sense has to be done?

If all else is failing and the marketplace is not providing jobs, then the obvious thing to do is for the government to provide the jobs. The Government must provide the stimulus.

We know already how it is done. Why are we waiting? We know already that we can stimulate the economy by spending more money for public benefits. We have numerous needs out there to be met.

We need highways. We need bridges. We even have a law, which is authorized, to address that. We can accelerate that law. Put more people to work.

The Intermodal Service Transportation Act is there. Why not take the steps to move it faster?

We know that we need dramatic improvements in our educational system. Part of those improvements relate to very concrete kinds of things like buildings. We need to build more buildings. Those buildings need to be equipped with lab equipment. Those buildings need libraries with books. Those buildings need all kinds of facilities which will have a ripple effect on our economy. Why do we not go ahead and begin to build schools?

Why do we not go ahead and begin to provide for books and laboratories and lab equipment and all the things that those schools need, spend the money, stimulated through a government funding process, and get the economy moving again?

We know we need it. Why do we not do it?

Health is an industry as well as a service. This Nation lags behind all other industrialized nations except South Africa in terms of the provision of health care to its citizens. Every other industrialized nation except South Africa and the United States has some kind of national health care program which covers all of their citizens.

Health is an industry which, if we begin to fund properly, will provide millions of jobs, millions more jobs and, at the same time, it will end the anxiety out there that so many of our citizens feel about health care for themselves, for their children, for their older parents.

The anxiety factor taken away would increase the productivity of our workers. The anxiety factor removed or lifted off the burdens of small businesses would enable those small businesses to hire more people and provide more jobs because they would not have to worry totally about providing the health care and other fringe benefits related to health that they must provide now.

The health care industry is an industry that would circulate and recirculate amounts of money within the local economy as well as the national economy. So why do we not move ahead with these three major concerns of the voters?

The voters have made it clear that they want a government that is willing to move ahead and make the difference in these areas. Why do we not move ahead? Why do we not at least make the commitment for a national health insurance program now, between now and November, the election in November, a national health insurance program which, if it does nothing else, makes a commitment, a commitment to cover every citizen between now and the year 2000?

If we have to spread it out, and I do not think we should, I think tomorrow, as soon as possible, every American citizen ought to be equal to every Japanese citizen, be covered with some kind of health care plan. Every American citizen ought to be equal to every citizen of Great Britain or every citizen of France or every citizen of Germany.

They ought to be equal to every citizen of Canada and have coverage for basic health care tomorrow.

We are the richest Nation in the world. Nothing like America has ever existed. It is not a problem of money, because we spend twice as much on our health care system as the Canadians spend on theirs.

Among the other industrialized nations, the Canadians have the most expensive, other than the United States. But whereas the Canadians spend a lot for health care, they cover everybody. Everybody is covered, and the per capita cost of their coverage is one-half of

the amount of money we spend per capita in this Nation. And yet we leave 40 million people uncovered.

It is immoral for a nation as rich as the United States to not cover every citizen with some basic health care. It is immoral.

It would not be immoral for Haiti because Haiti does not have the resources. It would not be immoral for most of the countries of the world that are underdeveloped or developing. They do not have the resources. They cannot undertake it. But there is no reason why the United States of America cannot join the other industrialized nations and guarantee to every citizen that they are covered for basic health care.

It would not bankrupt the country. It would indeed improve the economy.

We have had a tremendous defense burden that we have borne in the interest of every American to protect every American. There is no reason why, with that tremendous defense burden lifted from our shoulders, we cannot move more immediately to shut down our defense apparatus in certain places where it is obviously no longer needed and to transfer these tremendous resources into activities like education, job creation, and, of course, health care.

Between now and the end of the session, between now and the election in November, I would like to see the Democratic leadership, I would like to see our party come forward and translate in more detail our party platform.

I am proud of the fact that we have a vigorous ticket running, proud of our candidates. I am proud of our platform. Its general language is certainly pointed in the right direction.

But the general language of the Democratic platform, including its revolutionary introduction, is not enough. The voters, all voters, everybody who is potentially going to go to the polls in November should demand that the Democrats as well as the Republicans spell out in more detail how we are going to address the concerns which the American voters have made it clear are on their minds.

□ 1900

They have certain clear-cut concerns. Among those concerns is health care. We want a more definitive statement on health care. We want a commitment from the Democratic leadership. We want a commitment from the Democratic candidates that every American citizen in going to be covered with some basic health care between now and the year 2000, at least. We want that commitment before the election.

No American voter should consider it unreasonable to ask that of any candidate. We have several health plans that are circulating here on the Hill. We have a plan which is called the single payer plan. Some people know that



as the Russo plan, because it was introduced by my colleague, the gentleman from Illinois [Mr. Russo].

The single payer plan is the plan which is the closest to the Canadian health plan. The Canadian health plan, I think it is important for us to take a look at that, because they breathe the same air we breathe here in the Western Hemisphere. They are right next to us. They have a democratic government. They have a market economy. Their market economy is now intermingled with ours. Step by step we are breaking down all the barriers. Pretty soon there will be one market economy for both Canada and the United States.

If Canada is not afraid that a universal health care program will bankrupt them, then why should we be afraid? The Canadians have had universal health care for 20 years, 20 years, and it has not destroyed the economy of that country. The citizens, indeed, made that quite clear.

I was fortunate enough to go on a trip with members of the Committee on Government Operations headed by the gentleman from Michigan [Mr. CONYERS] to visit the Canadian health care providers and the government at every level; to hospitals, to clinics. We walked through the whole system. The people made it quite clear at every stage that the one thing you had better never try to take away from the Canadian people is their health care system. The one thing that would cause a revolution in the streets, the one thing that would cause them to overthrow the Government, would be an attempt to take away their health care system.

The most important thing they have, they say, the most important thing they receive from their Government is health care, a universal health care system. That health care system, again, provides coverage for everybody from the cradle to the grave, everybody.

The health care system has been in place for 20 years. It costs one-half as much as we spend per capita in the United States. There is no reason why every voter out there in America should not rise up and demand that between now and November. Everybody in Washington claims that they are interested in a democracy which is responsive and reflects the will of the people. There is no reason it cannot make a commitment to a health care system which covers every single American.

The Canadian health care system is not perfect. It is an ongoing situation which is being corrected and adjusted, but the commitment is there. It is not true that there is no choice in that system. There is a whole lot of choice. It is not true that people have to suffer because of the fact that they cannot walk in and get certain kinds of services. Their system is far more rational than ours.

People have to wait, sometimes, when in the judgment of the medical specialist they can wait, but nobody has to suffer the way that people in our system suffer who are not covered at all. Nobody has to walk away from a hospital because they cannot pay the bill. Nobody has to refuse to take their children because they do not want the bill to come later.

There is no dual system of health care in Canada, where Medicaid is second-class health care and doctors say, "Do not come to my door. I don't want Medicaid patients, because I don't give second-class health care. I can't afford to give care below cost."

We have created with the Medicaid system a second-class health care system and a second-class health care system is a deadly system. If needles are not sterilized properly, if you cannot get the right medicine, if things are not done right, you are worse off in that kind of system with second-class care than you would be with no care at all. We should move to end the second-rate Medicaid system and have one system of universal care coverage, as they do in Canada.

In Canada, prescriptions are not available to everybody, but all senior citizens get prescriptions free, all senior citizens. All children get whatever prescriptions they need free. All children get inoculations that they need free.

In my district in Brooklyn we have a measles epidemic. In my district in Brooklyn we have a tuberculosis epidemic, in America, in 1992. We have outbreaks of measles among children because they are not getting the inoculations that they should be getting. What was routine when I was a kid, we had advanced that far, we could take it for granted that the government we going to provide the money necessary to give inoculations. That has been cut off.

Tuberculosis was wiped out once. We had it all licked. Now, because of inadequate care, tuberculosis has returned as a threat in America, in rich America. In America which provides defense for the whole world, we are not able to guarantee that a disease with a long career like tuberculosis will not run rampant in our urban centers. It is not just my district, but you will find tuberculosis is rampant in big cities throughout the country.

We have AIDS that has raised its head, an ugly specter which not only threatens certain classes of people, but the AIDS virus is changing every day. Beware. They now have a new virus that they cannot detect. They see the results of it but they do not pinpoint where it comes from.

What happens next if we do not move effectively to put all our resources forward to find a cure for AIDS? What happens when they get an airborne germ which causes AIDS, as the muta-

tion of the bacteria continue rapidly? We are all at risk.

There is no reason why we cannot head off many of these fiascos by moving to institute a universal health care program. In Canada, everybody has the right to a hospital room. It has four beds in it. If you want two beds in a room, you can pay a little more. If you want to be in a single room, you can pay a little more and get that, but everybody, regardless of how poor they are, they have a right to hospital care.

Everybody has a right to open heart surgery, regardless of the cost. Everybody has a right. Regardless of the cost of medication, if you have some long-term chronic illness, everybody has the right to medications.

Canada is not as rich as the United States of America, but they are able to do it, and their economy has not been bankrupt. Their citizens are healthy, happy, and they do not seem to be straining under the weight of some socialized health program.

The best we have been able to offer so far as Democrats, however, is a plan that has been circulating which I am told has more consensus than any other plan, which is called the Health Care Cost Containment Reform Act of 1992. I think the authors of the Health Care Cost Containment Reform Act of 1992 ought to be congratulated. There is a lot of imagination shown here. There is movement off dead center shown here, but I am sorry, I do not think that the Democratic Party, the Democratic leadership of Congress or anybody else in America, should be allowed in 1992 to go to the people and not make a commitment to cover all Americans with basic health insurance.

This plan does not do that. This plan is basically flawed, because it expands health care benefits to the point where it will never cover any more than half of the uncovered citizens out there now.

Right now we estimate there are 40 million Americans not covered, 40 million. Common sense, the common sense that voters have, will tell you that every day when one person loses a job you get an increase in the number of uncovered people, because the people who are covered are mostly covered by their employers and by the plan that is associated with their jobs. As the unemployment rate goes up, so does the number of people who are not covered, so we do not have 40 million people uncovered today, we have many more than that.

Nevertheless, our Democratic leadership plan, Health Care Cost Containment Reform Act of 1992, only promises to cover one-half of those who are uncovered by 1998. We are going to have to wait until 1998, and the ultimate coverage will only cover one-half of the uncovered. Millions will be still left uncovered. Common sense should tell every voter that this is not acceptable.

This plan also says there is going to be a Medicare plan for children, health insurance plan for children, and the premium for that plan for children will be based upon the actuarial cost of the program, assuming that all the children of the Nation are participating. In other words, we are going to provide a Medicare program for children similar to Medicare, but you have to pay for it. Our Democratic model looks good on paper, "Health care that families can afford." But what does that mean?

□ 1910

Most families cannot afford health care the minute a chronic illness develops or a major operation has to be undertaken by a member of the family. What does it mean to say we are for health care that all families can afford? Let us spell it out.

Common sense is what we need to keep in the forefront, common sense that on Earth the fact is that we have a grossly inadequate system with respect to a national commitment to health insurance and health care, and common sense must still prevail.

There are numerous, millions of senior citizens covered by Medicare who need relief because Medicare does not go far enough. There are numerous human beings out there who are covered by Medicaid who are in danger of dying from second-class health care because it is worse than no health care at all. And then there are all of those millions who are uncovered, who should have more of a commitment from all of the people in Washington, the administration, the executive branch, and the Congress. That commitment should have a minimum definite timetable for the coverage of every American citizen with health care.

I want to conclude by congratulating the American voters. Nobody in the world, no other people in the world are more intelligent. And they never fail to rise to the occasion at the proper time.

We have been fooled and hoodwinked for some time. We let Willie Horton messages divert us. We let messages about choice, and non-choice, and pro-life, a number of things that should be left to private considerations divert us from the bedrock, solid issues that ought to be considered. But that is all over.

The voters have been awakened. The voters should understand that they are on the right track, they are targeting the right problems. Do not let anybody tell you that there is more sense and more logic, more wisdom in Washington than there is among yourselves. The voters are angry. Your anger is justified. You have pinpointed some targets, and one of those targets is national health insurance. Do not settle, do not let any candidate tell you that you ought to settle for less than total health care coverage for every American citizen.

Mr. Speaker, I yield back the balance of my time.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BARNARD (at the request of Mr. GEPHARDT) for today and August 6, on account of illness in the family.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HERGER) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 5 minutes today, in lieu of 60 minutes previously agreed to.

Mr. BURTON of Indiana, for 60 minutes, on September 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, and 30.

(The following Members (at the request of Mr. ABERCROMBIE) to revise and extend their remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.

Mr. JENKINS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STALLINGS, during debate on H.R. 5334 today.

(The following Members (at the request of Mr. HERGER) and to include extraneous matter:)

Mr. BLAZ.

Mr. LAGOMARSINO.

Mr. TAYLOR of North Carolina.

Mr. RINALDO.

Mr. BURTON of Indiana.

Mr. CRANE.

Mr. SKEEN.

Mr. OXLEY.

(The following Members (at the request of Mr. ABERCROMBIE) and to include extraneous matter:)

Mr. PETERSON of Florida.

Ms. SLAUGHTER.

Mr. SWETT.

Mr. TRAFICANT.

Mr. LIPINSKI.

Mr. SWIFT.

Mr. HAMILTON.

Mrs. SCHROEDER.

Mr. FASCELL.

Mr. MAZZOLI.

Mr. ATKINS.

#### BILLS AND JOINT RESOLUTIONS TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills

and joint resolutions of the House of the following titles:

On March 4, 1992:

H.R. 2092. An act to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by establishing a civil action for recovery of damages from an individual who engages in torture or extrajudicial killing;

H.R. 4113. An act to permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. Lexington to the Corpus Christi Area Convention and Visitors Bureau, Corpus Christi, Texas, for use as a naval museum and memorial;

H.J. Res. 343. Joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day";

H.J. Res. 350. Joint resolution designating March 1992 as "Irish-American Heritage Month"; and

H.J. Res. 395. Joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day."

On April 1, 1992:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

On April 10, 1992:

H.J. Res. 410. Joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A.";

H.R. 3686. An act to amend title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina; and

H.R. 4449. An act to authorize jurisdictions receiving funds for fiscal year 1992 under the HOME Investment Partnerships Act that are allocated for new construction to use the funds, at the discretion of the jurisdiction, for other eligible activities under such Act and to amend the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed housing projects that have provided a section 8 financial adjustment factor to use recaptured amounts available from refinancing of the projects for housing activities.

On April 16, 1992:

H.R. 4572. An act to direct the Secretary of Health and Human Services to grant a waiver of the requirement limiting the maximum number of individuals enrolled with a health maintenance organization who may be beneficiaries under the medicare or medicaid programs in order to enable the Dayton Area Health Plan, Inc. to continue to provide services through January 1994 to individuals residing in Montgomery County, Ohio, who are enrolled under a state plan for medical assistance under title XIX of the Social Security Act; and

H.J. Res. 402. Joint resolution approving the location of a memorial to George Mason.

On May 1, 1992:

H.R. 2454. An act to authorize the Secretary of Health and Human Services to impose debarments and to take other action to ensure the integrity of abbreviated drug applications under the Federal Food, Drug, and Cosmetic Act, and for other purposes; and

H.R. 3337. An act to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

May 6, 1992:

H.R. 2763. An act to enhance geologic mapping of the United States, and for other purposes.



On May 7, 1992:  
H.R. 4184. An act to designate the Department of Veterans Affairs Medical Center located in Northampton, Massachusetts, as the "Edward P. Boland Department of Veterans Affairs Medical Center";

H.J. Res. 430. Joint resolution to designate May 4, 1992, through May 10, 1992, as "Public Service Recognition Week"; and

H.J. Res. 466. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Crime Victims' Rights Week."

On May 13, 1992:  
H.J. Res. 371. Joint resolution designating May 31, 1992, through June 6, 1992, as a "Week for the National Observance of the Fifteenth Anniversary of World War II";

H.J. Res. 425. Joint resolution designating May 10, 1992, as "Infant Mortality Awareness Day"; and

H.R. 4774. An act to provide flexibility to the Secretary of Agriculture to carry out food assistance programs in certain countries.

On May 15, 1992:  
H.J. Res. 388. Joint resolution designating the month of May 1992, as "National Foster Care Month."

On May 29, 1992:  
H.R. 4990. An act rescinding certain budget authority.

On June 4, 1992:  
H.R. 2556. An act entitled the "Los Padres Condor Range and River Protection Act";

H.R. 1642. An act to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes; and

H.R. 1917. An act for the relief of Michael Wu.

On June 12, 1992:  
H.R. 158. An act to designate the building in Hiddenite, North Carolina, which houses the primary operations of the United States Postal Service as the "Zora Leah S. Thomas Post Office Building";

H.R. 4505. An act to designate the facility of the United States Postal Service located at 20 South Montgomery Street in Trenton, New Jersey, as the "Arthur J. Holland United States Post Office Building"; and

H.R. 5412. An act to authorize the transfer of certain naval vessels to Greece and Taiwan.

On June 17, 1992:  
H.J. Res. 442. Joint resolution to designate July 5, 1992, through July 11, 1992, as "National Awareness Week for Life-Saving Techniques";

H.J. Res. 445. Joint resolution designating June 1992 as "National Acleroderma Awareness Month"; and

H.R. 2507. An act to amend the Public Health Services Act to revise and extend the programs of the National Institutes of Health, and for other purposes.

On June 19, 1992:  
H.R. 5132. An act making dire emergency supplemental appropriations for disaster assistance to meet urgent needs because of calamities such as those which occurred in Los Angeles and Chicago, for the fiscal year ending September 30, 1992, and for other purposes.

On June 24, 1992:  
H.R. 479. An act to amend the National Trails System Act to designate the California National Historic Trail and Pony Express National Historic Trail as components of the National Trails System;

H.R. 5343. An act to make technical amendments to the Fair Packaging and Labeling Act with respect to its treatment of the SI metric system, and for other purposes;

H.J. Res. 470. Joint resolution to designate the month of September 1992 as "National Spina Bifida Awareness Month";

H.J. Res. 509. Joint resolution to extend through September 30, 1992, the period in which there remains available for obligation certain amounts appropriated for the Bureau of Indian Affairs for the school operations costs of Bureau-funded schools;

H.R. 2818. An act to designate the Federal building located at 78 Center Street in Pittsfield, Massachusetts, as the "Silvio O. Conte Federal Building"; and for other purposes;

H.R. 3041. An act to designate the Federal building located at 1520 Market Street, St. Louis, Missouri, as the "L. Douglas Abram Federal Building"; and

H.R. 4548. An act to authorize contributions to United Nations peacekeeping activities.

On June 26, 1992:  
H.R. 3711. An act to authorize grants to be made to State programs designed to provide resources to persons who are nutritionally at risk in the form of fresh nutritious unprepared foods, and for other purposes; and

H.J. Res. 517. Joint resolution to provide for a settlement of the railroad labor-management disputes between certain railroads and certain of their employees.

On June 29, 1992:  
H.R. 3289. An act for the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini;

H.R. 3836. An act to provide for the management of Federal lands containing the Pacific yew to ensure a sufficient supply of taxol, a cancer-treating drug made from the Pacific yew; and

H.R. 5059. An act to extend the boundaries of the grounds of the National Gallery of Art to include the National Sculpture Garden.

On July 2, 1992:  
H.J. Res. 459. Joint resolution designating the week beginning July 26, 1992 as "Lyme Disease Awareness Week";

H.J. Res. 499. Joint resolution designating July 2, 1992, as "National Literacy Day"; and

H.R. 5260. An act to extend the emergency unemployment compensation program, to revise the tregger provisions contained in the extended unemployment compensation program, and for other purposes.

On August 3, 1992:  
H.R. 4026. An act to formulate a plan for the management of natural and cultural resources on the Zuni Indian Reservation, on the lands of the Ramah Band of the Navajo Tribe of Indians, and the Navajo Nation, and in other areas within the Zuni River watershed and upstream from the Zuni Indian Reservation, and for other purposes.

On August 4, 1992:  
H.R. 5566. An act to provide additional time to negotiate settlement of a land dispute in South Carolina.

## ADJOURNMENT

Mr. OWENS of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 12 minutes p.m.) under its previous order, the House adjourned until tomorrow, Thursday, August 6, 1992, at 9 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4069. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 1072 of title 10, United States Code, to authorize medical and dental care for certain unmarried children who become incapacitated and whose sponsor-parent provides more than 50 percent support; to the Committee on Armed Services.

4070. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4071. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4072. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 540. Resolution providing for the consideration of the bill (H.R. 4394) to amend title 46, United States Code, to require merchant mariners' documents for certain seamen (Rept. 102-784). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 541. Resolution providing for the consideration of the bill (H.R. 5466) to amend the Federal Aviation Act of 1958 to enhance competition among air carriers by prohibiting an air carrier who operates a computer reservation system from discriminating against other air carriers participating in the system and among travel agents which subscribe to the system, and for other purposes (Rept. 102-785). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 542. Resolution providing for the consideration of the concurrent resolution (H. Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States (Rept. 102-786). Referred to the House Calendar.

Ms. SLAUGHTER of New York: Committee on Rules. House Resolution 543. Resolution providing for the consideration of the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services (Rept. 101-787). Referred to the House Calendar.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 5741. A bill entitled the "Perishable Agricultural Commodities Act Technical Amendments of 1992"; with an amendment (Rept. 102-788). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 545. A bill providing for the consideration of the bill (H.R. 4547) to authorize supplemental assistance for the former Soviet republics (Rept. 102-789). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLARD (for himself, Mr. COLEMAN of Missouri, and Mr. CAMPBELL of Colorado):

H.R. 5775. A bill to provide a voluntary national insurance program for elk affected with, or exposed to, tuberculosis; to the Committee on Agriculture.

By Mr. LANCASTER:  
H.R. 5776. A bill to amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds by certain organizations providing rescue and emergency medical services; to the Committee on Ways and Means.

By Mr. EVANS (for himself, Mr. FALEOMAVAEGA, and Mr. ABERCROMBIE):

H.R. 5777. A bill to amend chapter 37 of title 38, United States Code, to establish a pilot program for furnishing housing loans to native American veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KOSTMAYER (for himself, Mr. WELDON, Mr. KANJORSKI, Mr. YATRON, Mr. MURPHY, and Mr. KOLTER):

H.R. 5778. A bill to amend the Wild and Scenic Rivers Act to designate certain river segments in the State of Pennsylvania for potential addition to the Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. KYL (for himself, Mr. TANNER, Mr. KASICH, and Mr. MCCREY):

H.R. 5779. A bill to provide that the United States may not consent to an increase in its quota in the International Monetary Fund until the President has certified to the Congress that Russia has taken certain steps; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MCCOLLUM (for himself and Mr. SMITH of Texas):

H.R. 5780. A bill to improve the admissions process at airports and other ports of entry; to the Committee on the Judiciary.

By Mr. MCCURDY (for himself, Mr. PENNY, and Mr. PETRI):

H.R. 5781. A bill to establish a demonstration program that encourages State educational agencies to assist teachers, parents, and communities in establishing new public schools, and for other purposes; to the Committee on Education and Labor.

By Mr. RAHALL:  
H.R. 5782. A bill to designate the facility of the U.S. Postal Service being constructed at 680 Central Avenue in Barboursville, WV, as the "John D. Rockefeller, IV, Post Office"; to the Committee on Post Office and Civil Service.

By Ms. SLAUGHTER:  
H.R. 5783. A bill to authorize the Secretary of Health and Human Services to make grants to States to purchase certain vaccines for children at a federally negotiated bulk rate and to create State and regional registries of vaccinations of children, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROYBAL:  
H.R. 5785. A bill to amend the Public Health Service Act and the Social Security Act to improve the organ procurement and transplantation process; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. NOWAK (for himself, Mr. LA-FALCE, and Mr. PAXON):

H.J. Res. 536. Joint resolution designating December 6, 1992, through December 12, 1992, as "National Marine Corps Reserve Toys for Tots Week"; to the Committee on Post Office and Civil Service.

By Ms. PELOSI (for herself, Mr. FASCELL, Mr. MILLER of California, Mr. JONES of North Carolina, Mr. STUDDS, Mr. PORTER, Mr. SCHRUER, Mr. MILLER of Washington, Mrs. UNSOELD, Mrs. MORELLA, Mr. SIKORSKI, Mr. GREEN of New York, Mr. BEILENSON, Mr. BLAZ, Mr. HERTEL, Mr. FEIGHAN, and Mrs. COLLINS of Illinois):

H. Con. Res. 353. Concurrent resolution expressing the sense of the Congress that the United States should assume a strong leadership role in implementing the decisions made at the Earth summit by developing a national strategy to implement agenda 21 and other Earth summit agreements through domestic policy and foreign policy, by co-operating with all countries to identify and initiate further agreements to protect the global environment, and by supporting and participating in a high-level United Nations Sustainable Development Commission; to the Committee on Foreign Affairs.

By Mrs. MEYERS of Kansas:  
H. Res. 544. Resolution to authorize and direct the Committee on House Administration to require that the financial activities of legislative service organizations be subject to the control of the Clerk, and for other purposes; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII:

Mr. WILLIAMS introduced a bill (H.R. 5784) for the relief of Bear Claw Tribe, Inc.; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. TOWNS, Mr. HAYES of Illinois, and Mr. FROST.

H.R. 710: Mr. STUDDS.

H.R. 976: Mr. LEVIN of Michigan.

H.R. 1411: Mr. CLEMENT.

H.R. 1468: Mr. RAVENEL.

H.R. 2075: Mr. SCHUMER.

H.R. 2248: Mr. SCHIFF.

H.R. 2385: Mr. MILLER of Washington.

H.R. 2460: Mr. PAXON.

H.R. 2726: Mr. STAGGERS.

H.R. 2890: Mr. REED.

H.R. 3018: Mr. EDWARDS of Texas.

H.R. 3164: Mr. GILMAN and Mr. SHAYS.

H.R. 3373: Mr. CHANDLER.

H.R. 3475: Mr. COLORADO, Mr. FRANK of Massachusetts, Mr. ATKINS, Mrs. MINK, and Mr. PAXON.

H.R. 3476: Mr. COLORADO, Mr. FRANK of Massachusetts, Mr. ATKINS, Mrs. MINK, and Mr. PAXON.

H.R. 3561: Mr. SWETT.

H.R. 3598: Mr. SHAYS and Mr. EMERSON.

H.R. 3662: Mr. NEAL of North Carolina.

H.R. 3806: Mr. FRANK of Massachusetts, Mr. HAYES of Louisiana, and Mr. HOLLOWAY.

H.R. 3808: Mr. KILDEE, Mr. HENRY, Mr. TAYLOR of North Carolina, Mr. KOLTER, Mr. CRAMER, and Mr. RITTFER.

H.R. 3943: Mr. SCHIFF.

H.R. 4175: Mr. RINALDO.

H.R. 4427: Mr. WILLIAMS.

H.R. 4677: Mr. INHOPE.

H.R. 4725: Mr. SCHIFF.

H.R. 4738: Ms. KAPTUR and Mr. HERTEL.

H.R. 4739: Mr. KOLTER.

H.R. 4754: Mr. CRAMER.

H.R. 4895: Mr. SYNAR.

H.R. 4989: Mr. SANDERS, Mr. PERKINS, and Mr. JACOBS.

H.R. 5064: Mr. MARKEY, Mr. GEJDENSON, Mr. OWENS of Utah, Mr. FOGLIETTA, Mr. THOMAS of Georgia, Mrs. MINK, Ms. PELOSI, and Mr. ABERCROMBIE.

H.R. 5155: Mr. BLACKWELL.

H.R. 5196: Mr. CARR, Mr. YOUNG of Florida, Mr. PICKETT, and Mr. FAZIO.

H.R. 5230: Mr. CHAPMAN.

H.R. 5317: Mr. SUNDQUIST.

H.R. 5323: Mr. SHAW.

H.R. 5360: Mr. LEVINE of California.

H.R. 5367: Mr. LANCASTER, Ms. KAPTUR, Mr. ENGEL, Mr. FRANK of Massachusetts, Mr. HUGHES, Mr. BUSTAMANTE, Mrs. VUCANOVICH, and Ms. NORTON.

H.R. 5456: Mr. NEAL of North Carolina.

H.R. 5530: Mr. SENSENBRENNER, and Mr. LOWERY of California.

H.R. 5590: Mr. LEWIS of Florida, Mr. SCHIFF, Mr. BOEHNER, Mr. SKEEN, and Mr. CLINGER.

H.R. 5600: Mr. SOLARZ, Mr. KOLTER, Mr. LEHMAN of California, Mr. MILLER of California, Mr. FROST, Mr. WOLPE, Ms. PELOSI, Mr. CONYERS, Mr. FRANK of Massachusetts, Mr. YATES, Mr. STARK, Mr. JOHNSON of South Dakota, Mr. FORD of Tennessee, Mr. KENNEDY, Mr. CARDIN, Mr. LEVIN of Michigan, Mr. MOODY, Mr. VENTO, Mr. ANDREWS of Maine, Mr. PAYNE of New Jersey, Mr. EVANS, Mr. OBERSTAR, Mr. LEWIS of Georgia, Mr. WEISS, Mr. ROYBAL, Mr. MFUME, Mr. MINETA, and Mr. DONNELLY.

H.R. 5665: Mr. MORRISON.

H.R. 5676: Mr. MAZZOLI, Mr. OLIN Mr. WILSON, Mr. EDWARDS of California, Mr. KOLTER, Mrs. SCHROEDER, Ms. KAPTUR, Mrs. UNSOELD, Mr. JOHNSTON of Florida, and Mr. GUARINI.

H.R. 5681: Mr. RANGEL.

H.R. 5684: Mr. ROEMER and Mr. ROBERTS.

H.R. 5703: Mr. DREIER of California.

H.R. 5719: Mr. MCCREY, Mr. BAKER, Mr. LIVINGSTON, and Mr. HOLLOWAY.

H.R. 5720: Mr. MARLENEE.

H.J. Res. 152: Mr. SCHUMER, Mr. MOORHEAD, Mr. HUCKABY, Mr. DE LA GARZA, Mr. SOLOMON, Mr. TAUZIN, and Mr. BALLENGER.

H.J. Res. 336: Mr. BALLENGER, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. FOGLIETTA, Mrs. VUCANOVICH, Mr. SMITH of Florida, Mr. STAGGERS, Mr. SLATTERY, Mr. SERRANO, Mr. RINALDO, and Mr. RIGGS.

H.J. Res. 380: Mr. BILIRAKIS, Mr. HALL of Texas, Mr. YOUNG of Florida, Mr. STAGGERS, Mr. HOCHBRUECKNER, Mr. LEWIS of Florida, and Mr. HALL of Ohio.

H.J. Res. 409: Mr. KASICH, Mr. TALLON, Mr. TOWNS, Mr. MFUME, Mr. FROST, Mr. RANGEL, and Mr. KLECZKA.

H.J. Res. 422: Mr. LIPINSKI, Mr. DYMALLY, Mr. HOYER, Mr. KOSTMAYER, Mr. FLAKE, Mr. SAWYER, Mr. SWETT, Mr. BRYANT, Mr. SHAYS and Mr. WYDEN.

H.J. Res. 478: Mr. DIXON, Mr. ANNUNZIO, Mr. MCCREY, Mr. BLAZ, Mr. LEACH, Mr. LEWIS of Florida, Mr. HYDE, Mr. VOLKMER, Mr. WEISS, Mr. FAZIO, Mr. WOLPE, Mr. GEJDENSON, Mr. MCCLOSKEY, Mr. HOCHBRUECKNER, Mr. PETER-



SON of Florida, Mr. CARDIN, Mr. BROOMFIELD, Mr. WOLF, Mr. CRAMER, Mr. MCHUGH, Mr. BACCHUS, Mr. MICHEL, Mr. KOPETSKI, Mrs. MEYERS of Kansas, Mr. SMITH of New Jersey, Mr. GEKAS, Mr. DORNAN of California, Mr. AUCCOIN, Mr. IRELAND, Mr. COLEMAN of Texas, Mr. CHANDLER, Mr. LIVINGSTON, Ms. HORN, Mr. DORGAN of North Dakota, and Mr. SOLOMON.

H.J. Res. 479: Mr. ROSE, Mr. HOCHBRUECKNER, Mr. MCGRATH, Mr. FOGLETTA, Mr. SANDERS, Mr. VANDER JAGT, Mr. DE LUGO, Mr. SOLARZ, Mr. MILLER of Washington, Ms. PELOSI, Mr. YOUNG of Florida, Mr. DORNAN of California, Mr. IRELAND, Mr. LIGHTFOOT, Mr. SAXTON, and Mr. FORD of Michigan.

H.J. Res. 495: Mr. BLACKWELL, Mr. GREEN of New York, Mr. CRAMER, and Mr. SCHUMER.

H.J. Res. 508: Mr. DIXON.

H.J. Res. 520: Mr. ABERCROMBIE, Mr. ANDREWS of Maine, Mr. BAKER, Mr. BENNETT, Mr. BILBRAY, Mr. BLACKWELL, Mrs. BOXER, Mr. CARR, Mr. CHAPMAN, Mr. COSTELLO, Mr. COX of Illinois, Mr. CRAMER, Mr. DARDEN, Ms. DELAURO, Mr. DONNELLY, Mr. DURBIN, Mr. ECKART, Mr. EDWARDS of Texas, Mr. ENGEL, Mr. EVANS, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HOAGLAND, Ms. HORN, Ms. LONG, Mr. JEFFERSON, Mr. JONTZ, Ms. KAPTUR, Mr. MANTON, Mr. MCCREY, Mr. MCNULTY, Mr. MILLER of California, Mr. MOLLOHAN, Mr. OBERSTAR, Mr. ORTIZ, Mr. ORTON, Mr. PASTOR, Mr. PAYNE of Virginia, Ms. PELOSI, Mr.

PETERSON of Minnesota, Mr. PETERSON of Florida, Mr. POSHARD, Mr. PRICE, Mr. RAY, Mr. ROEMER, Mr. ROWLAND, Mr. SANDERS, Mr. SARPAJUS, Mr. SLATTERY, Mr. STARK, Mr. SWETT, Mr. TAUZIN, and Mr. WAXMAN.

H.J. Res. 529: Mr. RAVENEL, Mr. ROE, Mr. COX of Illinois, Mr. TAYLOR of Mississippi, Mr. RICHARDSON, Mr. CONDT, Mr. HUBBARD, Mr. HOYER, Mr. ABERCROMBIE, Mr. HAYES of Illinois, Mr. ROEMER, Mr. MATSUI, Mr. AUCCOIN, Mr. SYNAR, Mr. MCDERMOTT, Ms. PELOSI, Mrs. UNSOLD, Mr. FAZIO, Mr. SCHEUER, Mr. SWIFT, Mr. EDWARDS of Texas, Mr. SMITH of Florida, Mr. SERRANO, Mr. KOPETSKI, Mr. BONIOR, Mr. ROYBAL, Mr. MARKEY, Mr. ANDERSON, Mr. OLIVER, Mr. GILLMOR, Mr. TORRES, Mr. MILLER of California, Mr. RUSSO, Mr. FOGLETTA, Mr. BLACKWELL, Mr. GUARINI, Mr. MCNULTY, Mr. PENNY, Mr. WILLIAMS, Mr. SAWYER, Mr. ORTIZ, Mr. MORAN, Mr. MFUME, Mr. BENNETT, Mr. GIBBONS, Mr. WEISS, Mr. RANGEL, Mr. POSHARD, Mr. BACCHUS, Mr. PETERSON of Minnesota, Mr. VENTO, Mr. KOLBE, Mr. JONTZ, Mrs. MINK, Mr. STALLINGS, Mr. OWENS of Utah, Mr. COLEMAN of Texas, Mr. SABO, Mrs. LOWEY of New York, Mr. ACKERMAN, Mrs. SCHROEDER, Mr. KLECZKA, Mr. GUNDERSON, Mr. DICKS, Mr. HOAGLAND, Mr. WISE, Mr. BUSTAMANTE, Mr. PAYNE of New Jersey, Mr. NAGLE, Mr. GEJDESON, Mr. ORTON, Mr. RALL, Mr. WYDEN, Mr. FASCELL, Mr. RHODES, Mr. ATKINS, Mr. GAYDOS, Mr. DIXON, Mr. KILDEE, Mr. CAMPBELL of California, Mr. WAX-

MAN, Mr. PERKINS, Mr. SCHUMER, Mr. FORD of Tennessee, Ms. SLAUGHTER, Mr. OWENS of New York, Mr. MARTINEZ, Mr. LIPINSKI, Mr. SANGMEISTER, Mr. HEFNER, Mr. JENKINS, Mr. DURBIN, Mr. ROSE, Mr. DORGAN of North Dakota, Mr. GEREN of Texas, Mr. WOLPE, Mr. MRAZEK, Mr. SOLARZ, Mr. MAVROULES, Mr. EARLY, Mrs. KENNELLY, Mr. MURPHY, Mr. REED, Mr. ANTHONY, Mr. SPRATT, Mr. DARDEN, Mr. BROOKS, Mr. DE LA GARZA, Mr. BREWSTER, Ms. HORN, Mr. BROWDER, Ms. DELAURO, Mr. GEKAS, Mr. VISCLOSKEY, Mr. ENGEL, Mr. FROST, Mr. GREEN of New York, Mr. HALL of Texas, Mr. KANJORSKI, Mr. LAFALCE, Mr. MCDADE, Mrs. MORELLA, Mr. NEAL of Massachusetts, and Mr. OBEY.

H.J. Res. 532: Mr. REGULA, Mr. OWENS of New York, Mr. CRAMER, Mr. SIKORSKI, Ms. LONG, Mr. MONTGOMERY, Mr. MOODY, Mrs. VUCANOVICH, Mr. HANSEN, Mr. WYLIE, Mr. FROST, Mr. PURSELL, Mr. KENNEDY, Mrs. KENNELLY, and Mr. MORRISON.

H. Con. Res. 100: Mr. DURBIN, Mr. CAMPBELL of California, Mr. GUARINI, Mr. DUNCAN, Mr. SANDERS, Mr. LEWIS of Florida, and Mr. STARK.

H. Con. Res. 301: Mr. YOUNG of Florida.

H. Res. 129: Mr. AUCCOIN.

H. Res. 470: Ms. PELOSI and Mr. RICHARDSON.

H. Res. 538: Mr. RANGEL, Mr. ACKERMAN, Mr. POSHARD, Mr. KOSTMAYER, Mr. TOWNS, and Mr. SPRATT.